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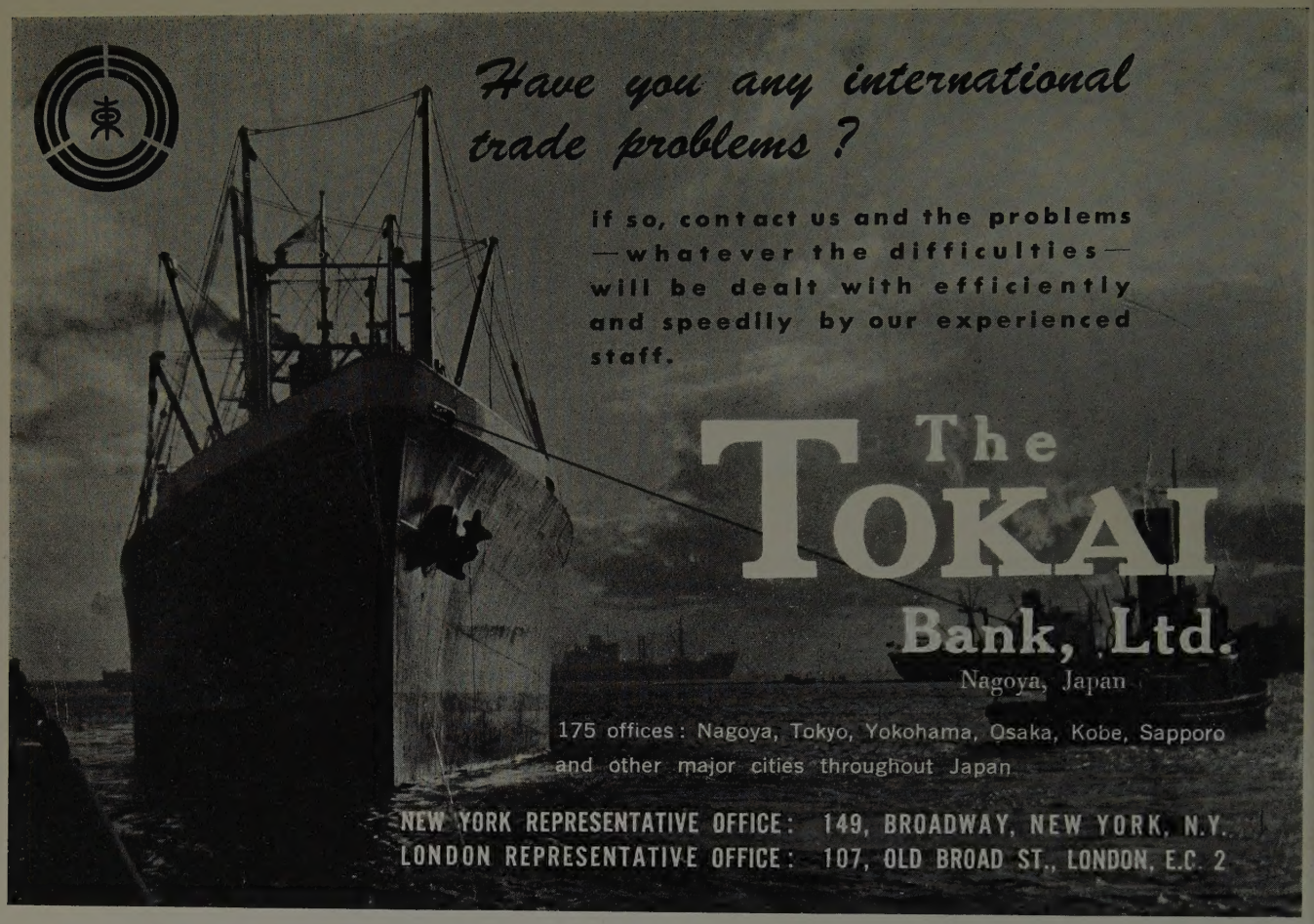
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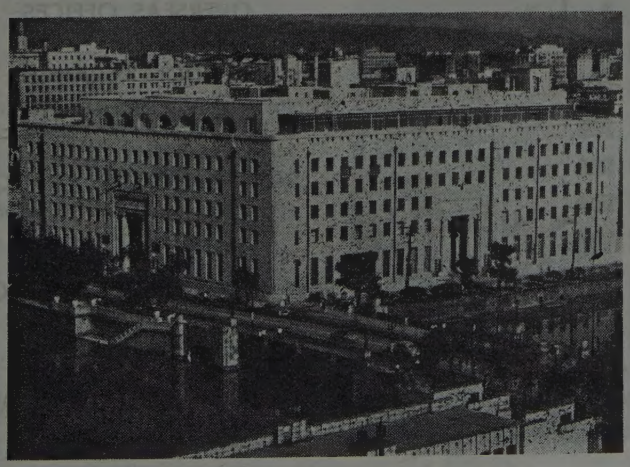

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Contents

REVIEW OF THE MONTH:
Extension of 33rd Diet 1
Socialist Party's Attitude..... 2
Zengakuren's Intrusion on Diet Building... 2
Delayed Mail Delivery..... 2
Budget Policy for Fiscal 1960 3

BUSINESS INDICATORS:
Wholesale Prices • Production • Wholesaling, Retailing & Foreign Trade • Business Outlook 4

MONEY & BANKING:
Money in November • Bank Lendings Up • Official Rate Raised • Bank Accounts... 6

STOCK MARKET:
November Move • Discount Rate Hike Aftermath • Capital Boosts Dull • Bonds & Debentures • Securities Merchant 7

LEADING ARTICLES:
1960 Business Outlook..... 9
Educational Level of Japan 11
Postwar Transmissions of National Life... 13

INDUSTRY:
Export Industries 18

VIEWS & TOPICS:
Japanese Labor in 1959 29
By Iwao Ayusawa

KALEIDOSCOPE:
1959 Headliners • Survey of Corporate Results • Japan's Shipbuilding Achievements • "No Foreign Exchange" Importation of Foreign Cars • Final Estimate of 1959 Rice Crop • Bank Loans in 1st Half 33

GLIMPSES OF JAPANESE CULTURE:
Collecting of Japanese Arts 34
By Meredith Weatherby

FOREIGN TRADE:
Export Prices Turning Upward • Revision of Trade Law Envisaged • Principles of Revision Outlined • Difficulties Seen for New Law 36

LABOR:
Mitsui Mining Dispute Continues • Union Control in Miike Extreme 38

COMMODITY MARKET:
Cotton Yarn • Raw Silk • Woollen Yarn • Chemical Fibers • Rubber 39

KEY TO JAPANESE FIRMS:
10 Biggest Cotton Spinners 40

COMPANY NOTES:..... 42

BOOK REVIEW: 43

STATISTICS: 44

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Review of the Month

THE 33rd extraordinary session of the National Diet (convened October 26) was extended 13 days from December 15 through 27. Although the ruling Liberal-Democratic Party has attributed the extension to the need of fully discussing the controversial bill for regulating demonstrations around the Diet building, the Socialist Party takes the view that the Government is aiming at the spontaneous passage of the Japan-Vietnam Reparations Agreement by having the session protracted. Through the present extension, the reparations agreement is due to be spontaneously approved by the Diet on December 26 under the provisions of Article 61 of the Japanese Constitution stipulating that the decision of the House of Representatives shall be the decision of the Diet (on the approval required for the conclusion of treaties), when the House of Councillors makes a decision different from that of the House of Representatives, and when no agreement can be reached even through a joint committee of both Houses provided for by law, or in the case of failure by the House of Councillors to take final action within 30 days after the receipt of the bills concerned passed by the House of Representatives.

EXTENSION OF 33RD DIET

The bill for regulating demonstrations at the Diet, drafted by Ryogoro Kato, Speaker of the Lower House, aims at legalizing, with the Speaker's approval, the adoption of necessary measures for preventing mass demonstrations on streets in the vicinity of the Diet building. The presentation of the bill, which is strongly opposed by the Socialists, to the Diet is based on the rising public criticism against mass demonstrations conducted by trade unionists and leftist students at the Diet building on November 27. Under the leadership of the Socialist Party and Sohyo (General Council of Japanese Trade Unions), a nationwide rally against the revision of the Japan-U.S. Security Pact took place on November 27. In Tokyo, about 25,000 union workers and leftist students, led by Socialist and Communist members of the Diet, staged a series of demonstrations at the Diet building, and about 10,000 of them, mostly students, broke through a cordon of some 5,000 policemen and stormed into the front yard of the Diet building when the 33rd session was in full swing. The Socialist Party, while regretting the intrusion of students into the Diet premises, holds that the demonstrations were a kind of justifiable representations to the Diet through the exercise of the right of petition. The public in general, however, failed to acquiesce in this Socialist conception that a stormy attack on the Diet building by more than 25,000 demonstrators howling with rage was an acceptable exercise of the petition right. Such demonstrations are nothing but a threat to the National Diet by trading on the strength of the masses. Such demonstrations at the Diet and courts of justice have been rampant since the war's termination, a deplorable fact demanding deep reflection.

Subjected to equally hot debates at the Diet was the problem of the choice of the fighter for the Air Self-Defense Force. The announcement by the U.S. Government that it decided to discontinue the use of the Lockheed F-104 shortly after the decision by the Japanese Government to purchase 200 Lockheed fighters served to lend an additional impetus to the attack by the Opposition. The Government adhered to the justifiability of its choice, claiming that the Lockheed is best suited to Japan's defense operations. Meanwhile, the National Defense Council, at its liaison conference with Diet members on December 11, decided to set the average unit price of 180 F104-Jets and 20 F104-D2

training planes at $1,150,000 (¥414,000,000: exclusive of spare parts). The public, however, apparently fear that the costly jet fighters may be entirely outdated when they get ready flying because of the swift progress of arms.

SOCIALIST PARTY'S ATTITUDE

WHAT was responsible for the sudden weakening of the Socialist Party, which was originally expected to offer a stiff resistance, simply because of the extension of the session? What proved most depressing to the Socialists was the intrusion on the Diet building premises by demonstrators, an unprecedented incident which gave a big shock to the public in general, and it was only natural that the Socialist Party as the leader of demonstrators should have been taken to task. The Socialist Party, on its part, feared that it might be branded a revolutionary party disregarding parliamentarism, and was compelled to refrain from resorting to a decisive showdown by walking out en masse, although it was fully aware that the extension would eventually mean the passage of the reparations bill. What caused the Socialist Party to acquiesce in the extension was the decision by the Liberal-Democratic Party to shorten the length of time for the discussion of the bill against demonstrations near the Diet building, which increased the chances of the bill being shelved. The third deterrent to the more decisive action by the Socialist Party is the existence of the Socialist Club and the Democratic Socialist Club, the two splinter Socialist groups which recently seceded from it by proclaiming adherence to parliamentarism. Those two spliner Socialist groups declared that they would not resort to any steps to obstruct parliamentary operations by force. It was under these circumstances that the Socialist showdown was largely restricted. The Socialist Party, however, is not expected to remain weak-kneed toward the crucial issue—the revision of the security pact. For the signing of the revised Japan-U.S. Security Treaty, the Japanese delegation headed by Prime Minister Nobusuke Kishi and Foreign Minister Aiichiro Fujiyama is scheduled to leave Tokyo for Washington on January 16. On the day of the delegation's departure, the Socialist Party plans to mobilize a large number of unionists to stage strong demonstrations against the pact signing along the streets leading to Tokyo International Airport. Major trade unions are also planning to carry out extensive demonstrations and wild-cat strikes throughout the country when parliamentary debates on the security treaty begin to touch upon important points. As the opposition to the revision of the security treaty is a capital chance for the general mobilization of unionists, there is no doubt that the leftist elements will make the best use of this problem to their advantages. It is desirable that the public in general may not be unreasonably disturbed by the excesses on the part of trade unions.

ZENGAKUREN'S INTRUSION ON DIET BUILDING

IT was the National Federation of Student Unions (Zengakuren) that played a vital role in massive demonstrations around the Diet building. Students under the aegis of Zengakuren were the first group of demonstrators which intruded on the Diet premises by force in Japan's parliamentary history. Defying the persuasion by sponsors to withdraw, they remained in the Diet premises to the last. Demonstrations conducted by Zengakuren in its past struggles against the atomic and hydrogen bomb tests, the Police Law, the teachers' rating system, and the Sunakawa case always ended in uncontrollable disturbances, but their excesses had so far been tolerated partly as cases of young-blooded excitement. The deplorable case of the Diet intrusion, however, has led the public to take stock anew of Zengakuren as a ultra-radical element. Zengakuren (officially titled Zenkoku Gakusei Jichi Rengo) has its headquarters in Hongo, Tokyo. Organized in September, 1948, its membership comprises 260,000 students belonging to 160 student councils of 110 universities (including colleges) throughout the country. With the number of students at some 500 colleges and universities throughout Japan totalling some 650,000, the "unionization" rate stands at about 40.0 percent. Of the total number of Zengakuren members, about 40.0 percent live in the Tokyo area. Activities of Zengakuren are directed by a 30-member central executive committee headed by the chairman, two vice-chairmen and the secretary-general. Ideologically, they uphold communism, but they belong to the so-called Trotskyist group which brands the Japan Communist Party as rightist-inclined. According to Zengakuren leaders, the principle of peaceful coexistence preached by Khrushchev is a policy of deception, and the Peking-Taipeh collaboration is the betrayal by Communist China. Zengakuren thus is addicted to the ideology far more radical than could be expected from student-communists before the war who used to call the Soviet Union their "fatherland." It is a group of such radical students that takes the leadership of Zengakuren today. The brain trust of Zengakuren is a group of about 2,000 communists and some 4,000 sympathizers offering unsparing support to the executive committee. Other students in general are apparently indifferent to the student councils, or are hesitant in showing interest in Zengakuren's activities as ideological moves usually stand in the way of employment after graduation. Hence, attendants at council conventions are generally restricted to radical elements, and the decisions at such conventions are apt to be one-sided. It goes without saying that convention resolutions stand "aloof" from ordinary students. When protest rallies or demonstrations are held against major problems such as the revision of the security pact or the police law revision, the radical elements, well-seasoned and highly-experienced in such operations, take the decisive leadership and calm-minded students inclined toward the course of common sense are tempted into the turmoil of agitation side by side with more clamorous counterparts. Students, thus converted into a group of rowdies, will become a puppet ready to act at the beck and call of a small number of ultra-leftist leaders. This is the predominant cause of the "excessive run" of Zengakuren.

DELAYED MAIL DELIVERY

DELAYED mail delivery has become noteworthy with the progress of the usual "year-end struggle" by Zentei (All-Japan Communication Employees Union: 220,000 members strong). In the present struggle, Zentei resorts to the strategy of rejecting all overtime assignments, pending the immediate ratification of the ILO convention and the opening of collective bargaining. Zentei's strategy rejecting overtime jobs is based on the refusal to sign the overtime work agreement provided for by the Labor Standards Law by sticking "rigorously" to the portal-to-portal system of 7 hours and 20 minutes a day. With this non-overtime rule upheld, mail delivery, which has been made twice a day, in some cases, is made only once, and mailmen return to post offices even in the course of a delivery round as soon as the working hours run out to the

eventual accumulation of mail matters, including the undelivered portion and new mail collected from posts. As of the middle part of December, therefore, delivery delay reached some five days. With the year-end mail rush in swing, including commercial letters as well as Christmas and New Year's messages, there is the rising cry for normalization of mail services. Commenting on the situation, the postal authorities report that some 52 percent of postal offices throughout the country have already succeeded in signing overtime work agreements, that 150,000 extra workers are ready to be mobilized, and that there will be no worry of the further congestion of year-end mail. Whether mail services may be normalized as the authorities opine, however, is held problematic, as many key post offices have not as yet concluded overtime contracts. With the public in trouble, the Ministry of Postal Services and Zentei are still pitted against each other. The dispute over the ratification of the ILO convention between the two rival groups has remained unsettled for the past one year and a half. In February, 1959, the Government decided on the basic policy to ratify the ILO Convention No. 87 (providing for the rights of unionization and collective bargaining), but has still been sticking to the attitude of not having the convention ratified and abstaining from collective bargaining unless the union rectifies its policy of resorting illegal action. Zentei exercised the right to strike which is prohibited by Article 4 (Clause 3) of the Labor Relations Law pertaining to Government and Public Enterprises (providing partly that officers of labor unions of governmental and public enterprises shall be elected from among workers in actual employment), and responsible members of the executive committee were discharged. Thus, it has now become a trade union not recognized by the said law. The Government takes the stand that it cannot deal with the union led by the executives already discharged from governmental employment. Zentei, on its part, holds that the delay of the ratification of the ILO convention cannot be tolerated from the standpoint of international faith, and that it will not stop its struggle as long as the Government continues to adhere to the policy of bargaining for normalization of postal services with the ratification of the ILO convention as the bait. Demanding priority of the ratification, Zentei plans to embarrass the public by delivery delay in the busy year-end season and to force the Government into a concession on the strength of the public criticism. If the Government takes a step to ratify the ILO convention at the present juncture, it will become incumbent on it to accept collective bargaining with Zentei which will become a legally-recognized organ with non-government employees in the lead. The Government, which has so far adopted a firm attitude to force the union to abide by law, will consequently be put out of countenance. It is in these circumstances that the Government has so far failed to listen to the public claim for early collective bargaining since it plans to ratify the convention after all. The Japanese people are traditionally inclined to take a view that "in a quarrel, both parties are to blame." In the present instance, they apparently are led to consider that both Zentei and the Government are equally blamable. The same appears to be the public view about the riot at the Diet building caused by student demonstrators, as many consider that the Government and the ruling party are also responsible for the eventuality because of their high-handed action by force of numbers in having the controversial Vietnam reparations bill passed. They are apparently mistaken in this idea, as they, by force of numbers, mean the decision by majority. The idea of this kind which justifies one's action by the mistake of the other certainly resembles the practice of the military which resorted to direct action before the war on the ground of the corruption of political parties. The danger of this way of thinking should be well known to the majority of the Japanese people by past experiences. The people in a constitutional country are first required to abide by law. In this sense, the attitude of the Government is defensible.

BUDGET POLICY FOR FISCAL 1960

THE Government on December 18 decided on the basic policy for the compilation of the national budget for fiscal 1960 (April, 1960-March, 1961). The fiscal 1960 budget compilation policy, on which the Government is expected to draft the budget plan by the end of December, aims at strict deference to the maintenance of a well-balanced budget for the sound and stable growth of the national economy. According to the Government's announcement, the major task of the national budget exists in the more stable development of the Japanese economy in equitable conformity with the general trend of international trade toward liberalization for the eventual increase of national income, the elevation of the national standard of living, and the expansion of employment. With the keynote of domestic business headed for energetic expansion, however, the compilation policy will follow the basic course of maintaining the currency value and a harmonious balance of the nation's international payments without taking the risk of unnecessarily spurring business in the financial phase through the uncompromising adherence to a balanced budget, the announcement said. For the realization of this objective, it added, the Government will seek financial resources in ordinary revenue without resorting to bond flotation, and no tax cut is planned.

The outstanding feature of the compilation policy is top priority given to the program for recovery of natural disaster damage and land conservation as the vital pivot of the 12 key measures to be taken in fiscal 1960. The list of key measures include as usual the propulsion of social security, the promotion of science and technology, the streamlining of the industrial foundation, and the fostering of small business. In the concrete enforcement of the fiscal 1960 budget, the most controversial will be the measure for recovery of natural disaster damage and land conservation on which the Government is placing greatest stress. Within the ruling Liberal-Democratic Party, there is still a group obstinately adhering to the need of floating government bonds. If, therefore, the demands for recovery and land conservation appropriations cannot be properly met within the frame of ordinary revenue, the resurgence of the claim for government bond flotation appears likely. If the finances are restricted, however, such new projects should be accordingly adjusted to the frame of financial resources available. Particularly as there is every fear of the "overheating" of economy, efforts should be exerted to make both ends meet through the retrenchment of subsidies and the economization of already-appropriated expenses. Further spur to business in the budgetary phase is taboo.

Business Indicators

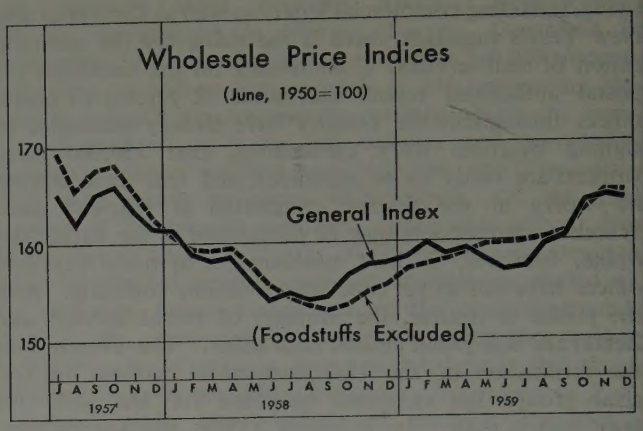
Wholesale Prices :—The Bank of Japan announced on December 2 the elevation of the official discount rate by 0.365% per annum to 7.300% for the discounting of commercial bills. The official discount rate, which had been left unchanged since February, this year, was boosted in order to cope with the active tempo of a recent business pickup. Money rates on loans by banks are expected to follow suit. According to Governor Masamichi Yamagiwa of the Bank of Japan, his bank decided on the rate hike in order to prevent the excessive economic growth based on rising prices, the energetic demand for funds and the swelling note issue. How, then, have the prices been faring in those days? Have they risen sharply enough to endorse Mr. Yamagiwa's fear? According to the Economic Planning Agency, the wholesale price index (June, 1950 as 100), which hit the bottom in the middle part of August, 1958 at 153.2, continued hiking since and stood at 161.4 as of the fourth week of September, this year. Huge property damage caused by Typhoon Vera which swept through Central Japan in late September was an additional stimulant to the price march, and the index, which registered 163.2 in the first week of October soared to 164.8 in the fourth week of November ending on the 28th to stand 12.3% higher than the August (1958) low.

1. Weekly Wholesale Price Indices
(June, 1950=100)

	Week end. Nov., 28	Compared with preceding week (%)	Compared with a month ago (%)	Compared with 3rd week in Aug., 1958 (%)
Composite	164.8	0.3	0.8	7.6
Foodstuffs	163.8	1.3	0.9	7.9
Textiles	83,6	⊖9.1	0.6	0.2
Fuels	169.1	Intact	0.5	⊖0.6
Metals	242.4	⊖0.3	0.4	18.4
Machinery	187.5	Intact	Intact	⊖0.1
Bldg. materials	273.2	Intact	0.7	14.1
Chemicals	101.3	2.0	0.8	1.0
Sundries	150.0	0.8	4.7	12.5

Notes: Comparisons ⊖ declines: others, increases.
Source: Economic Planning Agency.

In view of the price hike in the period under review, the fear of Bank of Japan leaders may appear justifiable. It should be noted, however, that during the period from March, 1957 through August, 1958, the wholesale price index in Japan registered a steep decline of 12.3%. In other words, the prices of certain specific commodities, which had slipped abnormally during the "recession" period were properly adjusted upward in the recent "recovery" period. Outstanding among such items were iron and steel products, copper and other metals. It may also be pointed out that the price levels of other key commodities like textiles, fuels, machinery and chemicals are they stand today are almost equal to those as of August, 1958, although foodstuffs, building materials and sundries have registered comfortable increments in the interim. Of the latter, the gain of foodstuffs was an exception, as it was largely attributable to the soaring of perishables supplied from areas damaged by the typhoon. Partly the same is the case with building materials, as the post-typhoon rise in demands for lumber,


Wholesale Price Indices
(June, 1950=100)
170
160
150
General Index
(Foodstuffs Excluded)
J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D
1957
1958
1959

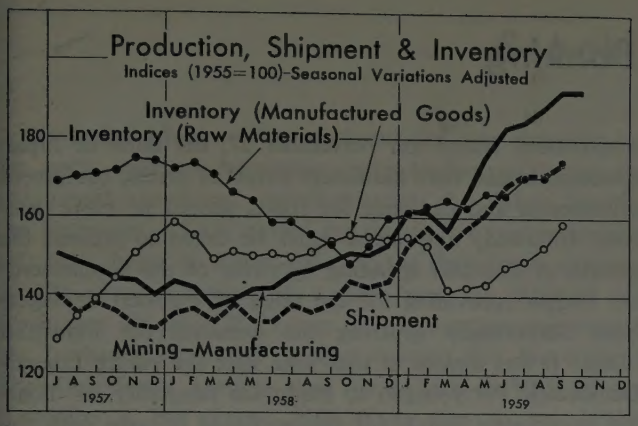
tile and galvanized iron sheets proved an extraordinary spur to the price march. Hence, the prices of those products will begin to soften as supplies are normalized. The advance of sundries is solely due to the leap of the import prices of rubber, hides and other raw materials. Japan's productivity has been markedly expanded in recent years through the erection of new and higher-efficiency equipments, and no supply shortage is likely to take care of swelling demands. Signs of price softening are already apparent with textiles and steel products weakening.

Production :—Production (mining and manufacturing inclusive) in October was marginally up with the index (1955 as 100) rising 1.1% over September to 190.5 (almost equal to September when seasonally adjusted). Compared with a year ago, however, the October index was a sharp gain of 27.7%. Although the increasing tempo slackened somewhat, the October production was larger with many of key industries. In the iron and steel industry, the output of pig iron increased 11.0% over September to hit a new peak at well over 900,000 tons as a few new blast furnaces started operation during the month. Equally sizeable were the gains of petroleum and coal products and cement on the spur of seasonal demands, while paper and pulp were also fairly up. The lone loser among key

2. Industrial Production Indices
(1955=100)

	October, 1959*	Compared with September (%)	Compared with October, 1958 (%)
Mining & Manufacturing	190.5	1.1	27.7
Mining	122.3	1.2	⊖2.7
Coal	117.0	1.6	⊖6.6
Metal Mining	124.9	⊖1.9	1.1
Manufacturing	196.2	1.1	29.8
Iron & Steel	189.8	5.2	40.9
Non-ferrous Metals	179.7	1.9	27.0
Machinery	344.3	0.6	48.0
Ceramics	174.3	5.6	18.3
Chemicals	178.5	0.7	13.3
Petroleum Products	268.2	17.8	37.7
Coal Products	155.1	6.7	27.2
Rubber	213.3	2.8	32.8
Hides & Leathers	131.5	⊖0.3	6.5
Pulp	172.5	4.0	33.9
Paper	175.4	3.9	30.1
Textiles	144.9	⊖4.2	19.6
Sawing	118.1	Intact	1.8

Notes: *preliminary: ⊖ decreases; others, increases.
Source: Ministry of International Trade & Industry.



industries was the textile group which receded 4.2 % due to typhoon damage to some leading mills in Central Japan, and the dives were particularly heavy for cotton, spun rayon and woollen fabrics. With reconstruction operations in swing at damaged mills and production cutbacks of cotton, spun rayon and worsted yarns lifted by the governmental recommendation, textile production is bound to make a swift recovery.

Wholesaling, Retailing & Foreign Trade :—Domestic sales (retailing and wholesaling inclusive) continued rising fairly in the first three quarter (January through September) of 1959, according to the Ministry of International Trade & Industry. The monthly index of gross wholesale proceeds (the monthly average in 1955 as 100: exclusive of department stores and restaurants) stood higher in each month of 1959 than a year ago with the increasing tempo noted particularly brisk since May (up 26.9% over a year ago in July; up 30.5% in August; up 28.5% in September). On the other hand, merchandise inventories in hands of wholesalers as of the end of June were only 6.0% larger than a year ago and the ratio of inventories against the monthly sales as of September stood low at 0.56 month. Thus, the state of inventories has been far from being "excessively" bulky. The sales in the past several months were especially brisk for metal materials, machinery and equipments, automobiles and parts thereof.

3. Sales Indices by Wholesalers

(1955=100)

	1958	Compared with a year ago (%)	1959	Compared with a year ago (%)
January	131.5	⊖ 4.2	135.2	2.8
February	132.8	⊖ 4.8	140.9	6.1
March	148.2	⊖ 6.3	160.5	8.3
April	142.0	⊖ 8.7	150.9	6.3
May	134.4	⊖13.7	155.4	15.6
June	137.2	⊖ 8.2	161.0	17.3
July	131.8	⊖10.4	167.3	26.9
August	132.3	⊖12.2	172.6	30.5
September	141.2	⊖ 9.4	181.4	28.5
October	142.6	⊖ 3.8	—	—
November	141.6	⊖ 1.7	—	—
December	163.3	5.5	—	—

Notes: ⊖ decreases; others, increases.
Scrces: Ministry of International Trade & Industry.

In the phase of retail sales, which went strong even in the "recession days" in 1958, have been on the steady gain. According to the Ministry of International Trade & Industry, the monthly retail sales index in the second quarter of fiscal 1959 (July to September) was about 11.0% higher than a year ago. With the hike of the consumer prices up some 1.0% in the interim, the increase in volume reached some 10.0%. Export sales have also continued fair. The customs statistics of the Ministry of Finance revealed that exports in November totalled $292,760,000 and imports in the same month stood at $289,670,000 with the result that the balance of international payments for the month was favorably balanced by about $3,000.000. Meanwhile, November exports were some 15.3% smaller than October outgoings chiefly because of the delivery of steel ships in October was particularly bulky.

Business Outlook :—How, then, will business in Japan in the foreseeable future? A dependable key may be found in the reports made by 471 key business and industrial companies received by the Bank of Japan in response to inquiries sent out by its Statistics Bureau to 520 major concerns. According to the replies received, the general consensus was that according to the predictions contained in the reports sent in reply to the inquiries, the general consensus was that business would continue following that sharp uptrend in October through

4. Retail Sales Indices

(1955=100)

	1958	Compared with a year ago (%)	1959	Compared with a year ago (%)
January	131.6	11	135.2	9
February	131.6	11	140.9	6
March	148.2	9	160.5	9
April	142.6	5	150.9	15
May	140.9	0	155.4	16
June	142.8	6	161.0	14
July	152.4	7	167.3	11
August	148.3	9	172.6	11
September	144.8	8	181.4	11
October	150.0	5	—	—
November	150.5	4	—	—
December	202.3	9	—	—

Notes: % comparison denotes increase: exclusive of department store sales and restaurant proceeds.
Source: Ministry of International Trade & Industry.

December, 1959 but the rising tempo would begin to slacken in the following quarter (January through March, 1960). In more concrete analysis, it was generally agreed in those reports that the hike of production, estimated at 5.0% over a year ago in the last quarter of calendar 1959 (October through December) would dwindle to 2.0% in the first quarter of calendar 1960 (January through March), the sales gain would dwarf from 4.0% to 2.0%, the increase of equipment investments would slip from 26.0% to 1.0%, and the boost of inventories, at 2.0% in the former period, would continue almost unchanged into the latter. The opinion on the transition of sales prices was almost the same, as 79.0% of the replies received said that the prices would continue marking time in the former period, 18.0% stated that they would rise, and 3.0% predicted that they would tend downward, but the ratios changed to 89.0%, 7.0% and 4.0%, respectively, for the latter period. Although the "census" was taken prior to the latest elevation of the official discount rate by the Bank of Japan, the general views are considered unchanged at present.

5. Business Forecasts by Major Corporations*

	Compared with preceding quarter (gain)		
	July—Sept., 1959 (%) (Actual)	Oct.—Dec., 1959 (%) (Prospective)	Jan.—March, 1960 (%) (Prospective)
Production	6	5	2
Sales	12	4	2
Inventories	2	2	0
Equipment Investments	23	26	1

Notes: * Compiled from replies by 471 major concerns to the Bank of Japan inquiries.
Source: Bank of Japan.

Money & Banking

Money in November :—Money in November was comfortably easy in the first half as advance payments for quota rice deliveries were in full swing and the supply excess of funds on the market forced call rates down. The money market, however, began to grow steadily stiff from about the middle part of the month, as city banks started to tighten purse-strings to prepare for reserve deposits with the Bank of Japan and enterprisers came to demand fresh funds for month-end settlements. The Bank of Japan note issue swelled particularly toward the end of the month with the increase on November 28 reaching ¥32,900 million, and the month-end balance stood at ¥842,300 million, an increase of ¥129,000 million (or 18.0%) over a year ago at ¥713,300 million. The net increase of note issue during November registered ¥31,000 million, or ¥13,300 million larger than the gain a year ago at ¥18,700 million, due chiefly to the hike of the consumption keynote on the spur of the fair going of business. The excess of financial fund payments over withdrawals in November totalled ¥111,800 million, almost equal to the like excess of ¥110,900 million a year before. In the food control account, the payment excess in November was ¥17,700 million larger than a year ago while the like excess in the foreign exchange accounted was ¥8,100 million smaller. With quota rice payments in progress, funds were plentifully supplied on the market, and bulky repayments of Bank of Japan loans were noted. Bank of Japan loans dwindled ¥95,700 million during November to the month-end balance of ¥243,100 million.

Bank Lendings Up :—Bank lendings, on the other hand, increased comfortably during November, well indicative of the brisk tone of business transactions. The net increase of loans extended by all banks throughout the country totalled ¥133,800 million in November, eclipsing the like gain a year ago by ¥32,400 million, while the net hike of real deposits received by all banks stood at ¥157,200 million, or ¥16,900 million less—a phenomenon contrary to the usual practice in November when deposits would increase at a sharper tempo than lendings to the eventual improvement of the fund position of banks. Responsible for the peculiar tendency was, above all, the energetic demand for operation funds in addition to fresh funds required for reconstruction operations in Central Japan devastated by the Ise Bay typhoon. Lendings were equally bulky by city banks as well as by provincial banks, bespeaking of the animation of small businesses. The gradual rise of demands for equipment funds also served to lend an additional impetus to the growth of bank lendings in November.

Official Rate Raised :—The sizable growth of the note issue, the accentuated demand for funds and the stiffening of commodity prices (particularly after the Ise Bay typhoon) apparently combined to make the Bank of Japan more cautious against the excessive run of business. In a statement issued on November 27, the Bank of Japan spokesman said that the future trends of prices, equipment investments and demands for funds should be more carefully followed, and steps must be taken to prevent the growth of financial spending by virtue of the supplementary budget (providing for the relief of typhoon damages) from additionally spurring the demands for industrial funds. It was almost at that time that the ruling Liberal-Democratic Party began to study the feasibility of floating government bonds for raising funds to cope with the swelling of the economic scale likely to result from the new national budget for fiscal 1960. Such developments eventually compelled the Ministry of Finance to take some precautionary measures. Against this background, the Bank of Japan on December 1 announced the elevation of the official discount rate by 0.1 sen, effective from December 2. Through the elevation, the official discount rate (for commercial bills) has been raised to 2.0 sen per ¥100 per diem (7.3% per annum) from 1.9 sen. The Federation of Bankers Associations of Japan followed suit by deciding to boost the interest rate on bank loans by 0.1 sen per diem effective from December 9.

Bank Accounts :—According to figures released by the Bank of Japan on December 14, the increase of real deposits at all banks throughout the country in November amounted to ¥157,200 million, slipping ¥16,900 million from a year ago (increasing ¥174,100 million), and the outstanding balance of real deposits as of the end of November stood at ¥6,187,600 million. The growth of deposits was particularly discouraging with city banks which registered the net gain of ¥74,700 million as compared with the like hike of ¥90,600 million a year ago, while provincial banks registered an increase of ¥75,100 million in November, as compared with ¥70,300 million a year before. During November, the net increase of loans extended by all banks throughout the country aggregated ¥133,800 million, well in excess of ¥101,400 million a year ago, with the outstanding balance as of the end of November registering ¥6,595,500 million. November lendings were especially active by city banks which witnessed a gain of ¥72,200 million, up 53.0% over the like increase a year ago at ¥47,400 million. Loans extended by provincial banks also increased ¥44,100 million, far above the hike a year ago at ¥35,600 million. Securities investments swelled ¥91,800 million during November to the month-end balance of ¥1,181,900 million.

Money in November
(In ¥100 million)

	Nov., 1959	Nov., 1958
Financial Funds	1,118	1,109
Short-term Bonds	6	▲4
Bank of Japan Accounts	▲814	▲918
Loans	▲957	▲848
Loan Balance	2,431	3,274
Note Issue	310	187
Note Issue Balance	8,423	7,133

Notes: ▲ denotes decreases; others, increases.
Source: Compiled by *The Oriental Economist.*

Stock Market

November Move:—The stock market was irregular in the early part of November with leaders subjected to adjustment operations. Stock prices at the Tokyo Securities Exchange, which started the month in a comparatively soft tone, began to stiffen later and the Dow-Jones average of 225 pivotals registered a new peak at ¥976.93 on November 30, up ¥23.79 over the like average on November 2 when the monthly session opened for November. The Dow-Jones average rose to a high at ¥955.95 on November 4, but slipped ¥10.20 to dive to the ¥930 mark on November 9. A more drastic collapse came on November 10 when Governor Masamichi Yamagiwa of the Bank of Japan was quoted as saying that a new elevation of the official discount rate might be possible before the end of the year. The average as a result declined to ¥920.30, ¥14.07 lower than the previous day. The market recovery later was slow but steady with low-priced stocks taking the helm. In the second half of November, steel stocks were heavily bought with selective buying also brisk for quiet stocks such as shippings, coals and fisheries.

Discount Rate Hike Aftermath:—The elevation of the discount rate by the Bank of Japan, announced on the afternoon of December 1 and effective from December 2, was a big blow to the stock market. Selling operations were heavy from the morning session at the Tokyo Securities Exchange and the Dow-Jones average closed the day at ¥958.00, losing ¥14.66 from the average for the preceding day. Despite the rampancy of the bears, the volume of turnovers on December 2 was large at 187,769,000 shares apparently because of the market continued rather steady later with a series of selective buying active and adjustment operations.

Capital Boosts Dull:—Capital increase projects were comparatively quiet in calendar 1959. With the business outlook general encouraging and the incorporation of reappraised assets reserves into capital through the revision of the Capital Replenishment Law active, it was originally expected at the start of 1959 that the year would witness an active flow of capital expansions. It, however, actually turned out that the total of capital increases in 1959 was only marginally larger than the like total for 1958. Capital expansions in 1959 by companies listed with the Capital Increase Council (Zoshi Kondan Kai) were as follows:

Capital Expansion in 1959

(In million yen)

	Thru Share Payments	Thru Share Dividends	Total
Fisheries	—	341	341
Mining	1,922	1,901	3,824
Construction	2,650	—	2,650
Foodstuffs	5,280	911	6,192
Textiles	1,556	4,650	6,206
Paper & Pulp	143	764	908
Chemicals	8,775	3,972	12,747
Petroleum & Coal	—	322	322
Glass, Clay & Stone	1,182	329	1,511
Primary Metals	29,522	7,140	36,663
Metal Goods	266	40	306
Machinery	6,086	1,891	7,978
Electric Machines	21,796	792	22,589
Transportation Machinery	6,031	1,823	7,854
Precision Machines	1,126	265	1,391
Other Manufactures	743	54	797
Commerce	3,841	177	4,018
Banking & Insurance	31,934	6,616	38,550
Real Estate	878	282	1,160
Land Transportation	4,360	270	4,630
Ocean Shipping	—	—	—
Warehousing	1,336	305	1,641
Communication	400	—	400
Electricity & Gas	43,110	10,115	53,225
Service Professions	1,478	702	2,180
Air Transport	1,902	—	1,902
Total	176,324	43,670	219,994

Source: C. I. C.

Chiefly responsible for the apparent lull in capital increase in 1959 was the increasing caution on the part of key companies in undertaking capital boost projects in view of easier-money developments. The advent of the quantitative boom and easier access to funds were other two factors which stood in the way of brisk capital expansions. At the same time, many leading companies endeavored to adjust deliberately the times of capital expansion so that capital share payments may not be abnormally concentrated.

Bonds & Debentures:—Corporate debentures issued in November totalled 61 issues totalling ¥23,150 million, well ahead of the October issues worth ¥22,400 million and registering another postwar peak. The pace of absorption, however, was not particularly encouraging, as the excess of financial fund payments over withdrawals was unexpectedly small and the call rates continued stiff. Especially low were the sales of blue-chip debentures issued by key companies.

Securities Merchants:—The business results of the "Big 4" securities companies (Nomura, Nikko, Yamaichi, and Daiwa) for the annual term ended September were exceptionally good, according to figures released at the shareholders meetings of the four firms in late November. The

Business Results of "Big 4" Securities Firms

(In million yen)

	Term ended Sept.	Profits from Securities transactions	Commission income	Investment trust	Assets operation	Declared profits
Nomura	1957	149	5,192	3,768	484	673
	1958	345	5,554	3,487	811	703
	1959	1,018	9,940	6,506	1,455	2,060
Nikko	1957	1,245	3,659	2,471	402	509
	1958	1,019	4,103	2,494	630	513
	1959	3,294	8,575	5,892	1,168	2,682
Yamaichi	1957	281	4,372	2,935	423	548
	1958	950	4,406	2,620	698	561
	1959	1,194	8,259	5,339	1,190	1,712
Daiwa	1957	498	3,157	1,950	362	505
	1958	723	3,812	2,109	533	510
	1959	2,522	7,240	4,432	923	1,960

Source: Compiled by *The Oriental Economist.*

combined total of commission incomes received by the "Big 4" aggregated ¥34,000 million, registering a fair gain of 90.3 percent over the preceding term, while the profits from stock transactions reached ¥8,000 million, or up 2.6 fold. As a result, the declared profits totalled ¥8,400 million, or a gain of 3.7 fold over a year ago. The profits of the "Big 4" for the annual term ended September, 1959 were as follows:

Transitions of Week-End Stock Prices

(Old Dow-Jones Average)

	October					November			
	3rd	11th	17th	24th	31st	8th	15th	22nd	29th
Average of 225 Pivotals	906.44	927.78	946.76	955.14	955.64	944.66	943.98	948.99	968.89
Fisheries	165.61	164.77	182.50	204.48	177.73	198.57	201.95	223.08	214.62
Mining	367.37	384.57	415.84	412.08	419.34	433.12	426.99	430.83	438.83
Foodstuffs	2,003.33	2,009.88	2,018.13	2,018.13	1,993.70	1,979.22	1,956.40	1,954.62	1,976.14
Textiles	713.00	719.90	730.12	730.42	722.04	701.60	697.67	706.30	706.36
Paper, Pulp	936.09	954.26	968.98	971.04	957.08	931.21	910.22	917.86	920.68
Chemicals	500.22	518.76	530.32	531.36	522.86	532.37	534.28	524.20	547.56
Petroleum, Coal Products	2,875.77	2,986.42	3,058.60	3,046.53	3,056.21	2,950.34	2,957.51	2,904.57	2,969.58
Glass, Clay, Stone Products	1,833.47	1,905.34	1,892.75	1,886.52	1,884.42	1,858.58	1,876.74	1,888.94	1,896.95
Primary Metals	325.74	331.10	341.43	338.82	332.86	327.76	331.34	344.88	350.13
Machinery	708.45	720.60	736.65	729.85	735.67	710.41	708.45	706.03	706.03
Electric Machines, Tools	890.43	907.73	938.38	956.00	948.74	930.51	936.60	939.02	995.95
Transportation Machinery	539.04	567.82	601.24	618.96	612.09	618.73	627.16	620.51	635.51
Precision Machines	600.04	628.66	617.64	648.48	638.57	629.77	612.13	606.65	653.99
Other Manufactures	1,167.54	1,191.23	1,230.03	1,233.67	1,236.88	1,240.75	1,231.50	1,247.17	1,277.28
Commerce	1,598.54	1,652.98	1,641.18	1,647.56	1,660.23	1,651.22	1,670.27	1,715.62	1,743.76
Banking, Insurance	650.60	653.70	659.08	670.02	662.27	622.27	659.90	664.55	674.67
Real Estate	2,931.43	3,019.89	3,022.50	3,025.10	2,908.05	2,785.80	2,783.19	2,725.97	2,889.83
Land Transportation	440.96	448.03	455.47	480.58	521.43	504.98	502.50	520.38	526.05
Ocean Shipping	152.78	147.91	160.52	169.06	137.53	171.87	167.85	189.35	206.83
Warehousing	1,214.33	1,273.58	1,263.68	1,214.33	1,211.03	1,227.53	1,168.25	1,155.08	1,145.25
Electricity, Gas	235.93	233.70	232.98	233.60	234.49	236.82	236.29	246.23	244.62
Services	386.38	389.83	400.68	437.19	524.54	486.56	488.65	476.91	455.46

Note: Stocks listed with the Tokyo Securities Exchange.
Source: Tokyo Securities Exchange.

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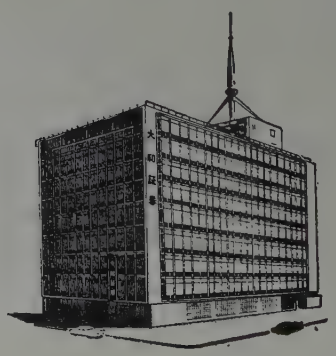

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1960 Business Outlook

EARLY in December 1959 the official discount rate of the Bank of Japan was raised, much to the surprise of many quarters. For one thing, seldom if ever had such a move been attempted toward yearend when the demand for settlement funds invariably soars, and it had been the consensus that there would be no tampering with the bank rate at least until after the arrival of the new year. In the second place, the actual economic situation was by no means of such a feverishness as to warrant upward revision of the official discount rate. For this reason the Bank of Japan, in explaining its action, stated that "the raising of the discount rate at this time is a precautionary measure against overheating of business activity" as distinguished from repressive action to check overheating.

Such play of words, however, is not enough to dispel the feeling of bewilderment. Granted that the action was precautionary, and that upward revison was by only ¥0.001 per ¥100 per diem, it remains an open question as to whether the business outlook really indicates the danger of overheating. On the other hand, if the danger were real, it is doubtful that so small a rise as ¥0.001 would be efficacious.

Although we personally feel that the Bank of Japan's action was perhaps justifiable in the sense that some checking of psychological excesses was necessary, particularly since greatly expanded budget requests were about to be debated in the National Diet, we are by no means in agreement with the thinking that unless overheating is nipped in the bud the outcome would be disastrous. Aside from the psychological aspect, the real state of the economy is as yet far from critical. Rather, instead of overheating, there is considerable likelihood that the second half of fiscal 1959–60 may manifest increasingly strong signs of overproduction.

The four major factors having the greatest effect on business trends are investment in inventory, investment in plant, and demands (consumption and export), and fiscal demand. Fiscal demand is a purely artificial thing since it is dependent upon the size and content of government finance, so in theory this factor is controllable. Consequently, the problem rests with the remaining three. Is it then likely that these demands will grow in excess of supply, in the near future, to cause a big rise in prices?

Although estimates of the expected increase in the capacity of supply during the coming fiscal year vary from individual to individual it is certain that the gain in annual production will be in excess of ¥1,500,000 million. The question therefore is narrowed down to whether or not the growth of the aforementioned demands will exceed this amount.

It is said that investment in plant is in steady acceleration. But even assuming that it increases at a rate of 20 percent per annum the increment cannot possibly be much more than ¥300,000 million. The increase in consumer demand, at 10 percent, should be a little over ¥600,000 million; and putting increase in export sales at $300 million, this would be another ¥100,000 million in gain. These together add up to about ¥1,000,000 million in gain over the level of the current fiscal year. Most problematical, of course, is the remaining factor, investment in inventory.

Because in this area the fluctuations tend to be sharp it is difficult to make any fair estimate. However, since an increase of some ¥600,000 million during fiscal 1959–60 now appears likely, we should not be far off, provided there is no occurrence of heavy speculative stockpiling, in expecting rise in inventory to be generally in proportion to the anticipated increase in plant and equipment. This would mean an annual gain in inventory of between ¥200,000 million and ¥300,000 million.

From the above figures, it can be concluded that increase in demands will be safely covered by increase in supply. However, one must consider additional supply when necessary by means of increased importation. Although it is by no means easy to hazard a guess as to how much more importation will be undertaken in fiscal 1960–61 over the level of fiscal 1959–60, if in addition to the expected increase in export sales the plans call for a $200 million decrease of the foreign exchange surplus as compared to fiscal 1959–60, it should be possible to effect a $500 million (nearly ¥200,000 million) increase in import purchases. There remains, naturally, the increase of fiscal demand; but this is not expected to cause too much of a rise in requirements for goods and labor.

There exist, of course, numerous problems requiring more study in connection with the figures given above. The first of these concerns the so-called bottlenecks in production. Although the overall increase in supply (production capacity) during fiscal 1960–61 is expected to be well in excess of ¥1,500,000 million, there will be one or two sectors of industry lagging somewhat in the boosting of production, and this may tend to impede the growth of other sectors to result in less expansion of actual capacity than the estimates would indicate. When delays in production growth occur in key sectors or in sources of supply which cannot be substituted by importation, the adverse effect on the economy is great, and the result is "bottleneck inflation."

Recently, the shortage of electric power and the piling up of freight at railheads have caused some alarm over alleged appearance of bottlenecks in such key sectors as power and transportation. If these shortages are real, the effect on the economy will be serious since the deficiencies cannot be made up in any immediate way be importation. There is also the danger that even before production is directly affected a rise in prices may be caused by speculation.

However, when the situation is more carefully scrutinized it appears that there is considerable exaggeration of fears. Although it cannot be denied that rail transporta-

tion is indeed tight, this is an immediate consequence of the typhoon damage of last year, and there is reason to believe that the situation will steadily improve.

As for the electric power shortage, the facts indicate a slightly graver situation than in the case of rail transportation. However, there is no basis for believing that even after the seasonal water shortage is over the power supply will be so tight as to cause declines in production.

It may happen, of course, that household supply of power will suffer some curtailment; but this would be the worst that could occur. For intensive effort is going into increase of generating capacity and modernization of obsolescent equipment.

Next to the problem of bottlenecks, thought must be given to the cyclic movements of business activity during 1960. Taking the year as a whole, our estimates are that supply will be adequate to cover all demands. However, there remains the question of whether or not supply will keep constantly ahead of demand throughout the year. If fluctuations occur and imbalances are created even temporarily, the business world will be subjected to booms and reactionary declines, and these ups and downs cannot help but obstruct the smooth progress of Japan's economic development.

It would, of course, be a mistake to predict that 1960 does not harbor any danger of such fluctuation. No matter how calm the economic situation there has probably no year completely free of disturbances, and there is no ground for expecting 1960 to be an exception. During the first half, the impetus gained through the sharp upturn of business can be expected to prevail without too much letdown. However, in the second half the probability is strong that deceleration will occur.

In this event, the crucial factor will be the business situation abroad. The trend will vary from country to country, but it is generally opined that in the second half of 1960 business activity in the United States will either start to level off or begin marking time. On the other hand, there is no indication than European recovery will slow down, while although the underdeveloped nations continue to plod along at a low level there is considerable likelihood that they will move steadily upward. All in all, therefore, despite there being no apparent indication of a world business decline in the second half of 1960, it is doubtful that Japan will be able in 1960 to maintain the same rate of growth of export sales as in 1959. Because the increase in exports in 1959 was due mainly to big sales to the United States, there is the possibility that as 1960 moves along the growth rate of Japan's export sales will tend to diminish.

This does not mean, however, that a big reaction is in sight. Moreover, it should be noted that there is little likelihood in 1960 of any big international crisis like the Korean War or the seizure of the Suez Canal. There remains, of course, tension in Berlin, in the Mideast, and in Algeria, and it would be expecting too much to look for settlement in these problem areas before 1960 is over. But judging from the relations now existing between the United States and the Soviet Union, there is no ground for believing that these danger points could touch off a major international conflagration. The world situation certainly appears more peaceful than it did in 1959.

Such being the case, although there may be no feverish booms as after the Korean War or the Suez Crisis, there will also be an absence of the reactionary dips that followed. In all probability, there will continue to prevail a rather strong uptrend during the first half of the year, with the angle of climb becoming less steep in the second half. The cyclic trend, therefore will be barely discernible.

However, with deceleration the manifestations of overproduction will tend to become pronounced. Because expansion of plant and equipment is being pushed at a rapid pace the rise of productive capacity will be big, and unless demand continues to grow fast enough at a fair rate there will be created a situation of overproduction. If overproduction occurs, then prices naturally will tend toward steadiness with signs of weakness. The business scene therefore can be expected to undergo considerable change in the second half of the year. Nevertheless, if demands continue to grow at a steady rate, it should not be at all difficult to dissipate fears of recession by appropriate actions in connection with government finance and credit. The Government must be ready at all times with moves to meet all contingencies so that anxiety in regard to business trends may be forestalled.

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THE ORIENTAL ECONOMIST

Educational Level of Japan

ALTHOUGH there are a number of factors contributing toward increasing the wealth of a nation, and toward raising the living standards of its people, the role of education as a central or basic cause which cannot be overlooked. The importance of education must be particularly stressed when, as in the case of Japan, the natural resources available tend to be scarce but there exists an abundance of native intelligence and technological proficiency, making it possible to increase productivity through purchase of raw materials from abroad and other means.

Japan early started on out its development as the only industrial nation in the whole of Asia, while its recovery from the ravages of war and defeat has been described as miraculous. One of the basic causes of this astounding economic progress is the tremendous effort that has been expended on the diffusion and development of education. Published recently by the Ministry of Education is a report, the "Economic White Paper," giving an analysis of Japan's educational system and its workings in comparison with the educational activities of other countries of the world. Given below in summary are the highlights of this official report.

Illiteracy Rate

Perhaps the best index of the diffusion of education is the illiteracy rate. According to a UNESCO tabulation of the census results of member nations, the illiteracy rate among the approximately 1,600 million persons comprising the world population of people over 15 years of age stood at 44 percent (about 700 million) in 1950. The bulk of these illiterates was concentrated in the countries of Asia and Africa (about 600 million people); and the illiteracy rate in these lands is estimated to be between 60 and 65 percent. This is mainly because compulsory education has not made much headway.

Countries with low rates of illiteracy among people of 15 years or more are:

1 to 2 percent—United Kingdom, West Germany, Australia, New Zealand, Sweden, Denmark, Netherlands, Switzerland
2 to 3 percent—Japan, United States, Canada
3 to 4 percent—Czechoslovakia
4 to 5 percent—France.

Spread of Education

If the illiteracy rate can be taken as a yardstick for measuring the spread or coverage of education, the general level of the education given to the citizenry must be gauged by the number of years expended on teaching and training. The United Kingdom has the highest level of compulsory education, with ten years stimulated by law. In most of the United States nine years is the minimum, as is the case with Japan (since 1947) and Israel. Most European countries demand at least eight years, while in Asia and Africa the period of compulsory education ranges from four to six years. Recently, the trend in many countries is toward extension of the years of compulsory education.

In Japan, the attendance rate for compulsory education is 99.8 percent, a level comparable with that of the leading countries of Europe.

As for higher education in Japan, enrollment in higher educational institutions in 1959 was 3.6 times that of the period 1934-36; and the higher education rate (vs. total population) is rising each year so that Japan is now second only to the United States, and ahead of the United Kingdom, West Germany, and Switzerland.

When the diffusion of higher education is reviewed on the basis of the relationship between the number of high school entrants and the number of pupils in the final year of compulsory education, the results are about the same, with Japan ranking second after the United States. Three times as many United States children go on to higher education, but twice as many Japanese as British, West German and French children go beyond the compulsory level (see table 1).

1. Higher Education Diffusion Rates

(percentage)

	Higher Education Enrollments Vs. Population		Higher School Entrants Vs. Pupils in Final Year of Compulsory Education		
	Male	Female	Male	Female	Total
Japan	14.7	3.3	15.6	4.9	10.3
United States	36.5	19.7	41.7	27.1	34.0
United Kingdom	6.5	4.6	5.9	5.4	5.7
West Germany	6.5	2.0	9.4	3.6	6.6
France	7.0	4.3	7.3	3.9	5.5

2. Graduates from Higher Educational Institutions

	Number of Graduates	Year	Composition %		
			Science & Engineering	Pedagogy, Domestic Science, etc.	Law, Economics, Literature, etc.
Japan	145,525	1957	21.9%	23.7%	54.4%
United States	340,347	1957	29.5	25.0	45.5
United Kingdom	49,454	1956	44.5	32.1	23.4
West Germany	141,874	1957	41.6	11.7	46.7
France	12,671	1956	44.3	0	55.7
Soviet Union	245,846	1955	43.4	49.2	7.4

The difference between the United States and Europe is due, for one thing, to the dissimilarity of the higher education system. In Europe the general practice is to send a selected few to higher seats of learning, while in the United States the aim is to make available to as many as possible advanced training in both specialized and general knowledge. Japan since the war has been following this American pattern.

In 1957 the number, of people graduating from higher educational institutions in Japan totaled 145,525. Thus Japan ranks third after the United States and the Soviet Union, and is slightly ahead of West Germany. The United Kingdom and France have far fewer graduates. Nevertheless, Japan is faced with a problem in that the proportion of science and engineering graduates is low.

Educational Content

Number of pupils per teacher. Generally speaking, the less the number of pupils per teacher the better are the

standards of teaching. Whereas in prewar 1934-36 the nationwide average stood at 50.1 pupils per teacher, there has since been much improvement, with the average now at 36.4 students. This is about the same level as is prevalent in West Germany, New Zealand, Denmark, and the Netherlands; but still high in comparison with the 26.3 of the United States, 30.4 of Britain, 22.8 of France, 26.1 of Italy, 24.4 of Israel, 27 of Switzerland, and 26.7 of Canada.

Size of Class. Although the standard class is supposed to comprise less than fifty children, the proportion of primary schools, national, public and private, with more than fifty-one pupils per class still remains high at 29.2 percent of the total. In Britain only 0.3 percent of the elementary schools have classes of this size, while in West Germany the percentage is 5.6. Thus Japanese primary school classes tend to be inordinately large, the result of the sudden postwar increase in children of school age.

3. Scholarship Grant Ratio in Higher Educational Institutions

(percentage)

	Japan	United Kingdom	France	U.S.S.R.
Vs. Total Population	9.7	3.8	5.7	. .
Vs. Enrolled Students	20.0	66.0	20.0	80.0
Vs. Population of same age group	1.9	2.5	1.1	. .

Textbooks, Equipment. Since the war, the state- prescribed textbooks system for primary education was abandoned in favor of the board-approval system. Currently 92 percent of all Japanese primary schools are equipped with radio sets, while 95 percent of the middle schools are likewise provided; and the government radio network broadcasts special school programs. Television reception equipment remains inadequate; but since 1957 there have been in operation two educational TV stations, and three semi-educational TV channels. Consequently, wider use of television in schools is expected.

Scholarships, Aid Funds

There exists a state scholarship system administered by the Japan Scholarship Association, a special non-profit corporation. In fiscal 1958-59 some 220,000 students (about 130,000 in higher educational institutions) were receiving a total of some ¥4,700 million (¥3,600 million for higher education) in grants. Since this system was inaugurated in 1943, more than 900,000 students have been aided up to fiscal 1958-59. Beneficiaries selected in fiscal 1958-59 made up 20 percent of all university enrollments and 2.9 percent of the high school students. In addition, the government universities have in operation a system permitting exemption of tuition fees for up to 5 percent of their respective student bodies. The ratio of scholarship and grants-in-aid beneficiaries to enrolled students is lower than in the case of Britain, but because Japan has a greater number of students in higher institutions the ratio of recipients to the population of the same age group is much closer.

The Japanese system heretofore has been to furnish aid only in amounts necessary to cover inability to pay tuition. In other leading countries the practice is to furnish even living expenses to promising students. From fiscal 1958-59 a special loan system has been inaugurated whereby a limited number of needy students will have access to more funds.

Level of Spending on Education

The ratio of expenditure for public education to national income in the case of Japan tended to rise far about four or five years after the war. More recently, however, there has been some decline. As will be seen from table 4, the spending on education now averages about 5.3 percent of the national income, the highest ratio in the world. The United Kingdom, West Germany, the United States, follow close behind, while the proportion outlayed by France and Italy is about half that of Japan.

4. Ratio of Public Education Expenditure to National Income

(percentage)

	Fiscal Year	Percentage	(Private Schools Added)	
Japan	1957	5.3	1956	5.9
United States	1956	4.1	1956	5.1
United Kingdom	1957	4.9	1956	4.8
West Germany	1956	4.7	1956	4.8
France	1955	2.9	1955	3.4
Italy	1954	2.8	1954	3.3

By "expenditure for public education" as used here is meant all central and local government outlays (duplication eliminated) for schools, adult education, science, cultural activities, art, religion, and other educational activities. In addition there is the burden on parents and guardians in connection with private school expenses and private tuition as well as the expenses of private educational organizations. However, only the private school expenses have been included in the data. It will be noted that the ratio in the case of Japan is higher than with other countries.

As for the ratio of public education outlays to the civil administrative expenses, the percentage in the case of Japan was 23.0 in fiscal 1956. The United States ratio was 19.1 percent; Britain, 14.7 percent; West Germany 13.3 percent; and France 12.9 percent (1955). In Japan, this ratio has gone up year by year since the war.

However, when the per-capita expenditure for public education is studied, Japan ranks extremely low. This is because the national income is small on a per-capita basis. The public outlay for each elementary and secondary school child is about a seventh that of the United States, a fourth that of the United Kingdom, a third that of France and West Germany, and three-fifths that of the Soviet Union. The per-capita public spending for state and public institutions for higher education is also low, as will be seen in Table 5.

5. Public Spending For Education, Per Student

(index figures, Japan=100)

	Public Elementary & Secondary Schools		Government & Public Institutions for Higher Education	
Japan	100	(1956)	100	(1956)
United States	680	(1953)	430	(1953)
United Kingdom	420	(1956)	320	(1955)
West Germany	300	(1956)	200	(1954)
France	280	(1955)	150	(1955)
Soviet Union	170	(1955)	230	(1955)

Note: Figures in parentheses indicate fiscal year.

The burden on the household budget for each high school student in the case of Japan comes to as much as 6.2 percent of the total household income according to a sample survey. In the United States the average is only 2.5 percent. The reason for this is that in the United States high school education is paid out of public funds, while in Japan the parents or guardians must pay. Also, the average household income in Japan is considerably lower than in the United States.

Postwar Transitions of National Life

THE 1959 version of the White Paper on the Japanese National Life, published by the Economic Planning Agency on November 28 under the title "Structural Changes in the Postwar National Life," is significant in bringing to the knowledge of the public in general the noteworthy improvement in the living standard of the Japanese people in the process of economic transmutations in more than 10 years after the Pacific War. The new white paper, comprising more than 290 pages, is devoted to the close analysis of structural evolutions of Japanese national living after the war, an interesting contrast to the 1958 version which specialized in taking stock of specific current problems related to national living under the title "Business Recession and National Living."

The Economic Planning Agency in the new white paper points out that after the war, and particularly since about 1953, consumer spendings have undergone radical structural changes which may well be described as a "consumption revolution." As the nearest example in this respect, the white paper refers to the swift diffusion of household durable consumer goods such as television sets and washing machines, and a notable increase in monthly household expenditure for education, culture and amusements. What, then, were the major factors responsible for such qualitative changes in the composition of consumer demands? Let us here trace the basic causes as set forth in the white paper.

Income Changes by Occupation

Real national income per capita was restored to the prewar (1934-36 average) level in fiscal 1954 and rose to the mark about 30.0 percent higher in fiscal 1958. On the other hand, the per capita total of individual assets has as yet been restored to the prewar level, as the household assets per family registered ¥220,000 (based on the 1955 National Wealth Census), or about 80.0 percent of the 1935 average of ¥290,000 (calculated on the basis of the 1955 currency value). Following the changes of income by occupation, it is noted that there exists a noteworthy unbalance. The average income per agricultural household in fiscal 1956 at ¥340,000 was 405 fold the 1934-36 average while the monthly wage of the manual worker in the manufacturing sector in the same year stood at ¥17,215, or 391 fold the 1934-36 average. Far more restricted was the gain in the interim of the salary of the white-collar worker. The average monthly pay for the university graduate already eight years in employment in 1958 stood at ¥32,723, or only about 175 fold the 1934-36 average.

Comparing the pay for the white-collar worker with the manual laborer of the same age (a primary school graduate before the war, and a middle-school graduate after the war), the former was three to five fold higher than the latter before the war. After the war, however, the former has dropped to the level almost equal to the latter, or only about 35.0 percent higher. This trend is particularly conspicuous in the case of the initial pay for the male university graduate (for desk work), as his pay after the war has been lower than that of the manual laborer of the same age. Turning to the annual income of proprietors engaged in commercial, service and other professions under individual management, the average receipt in fiscal 1957 amounted to ¥367,000, or about 560 fold the 1934-36 average. Considering that the increasing rate of the consumer price index in the interim stood at about 310 fold, it is noted that the income level of the white-collar worker as it is today is less than two-thirds the prewar mark, justifying the general complaint that the monthly pay of a university professor today is substantially equal to the like pay of an assistant professor some 20 odd years ago.

It cannot be concluded, however, that the incomes today are unbalanced by occupation simply because the increasing rates (as compared with prewar) have been irregular. It should be taken into full account that the income of the agrarian household or the individual proprietor before the war was exceptionally low, and it may be noted in this connection that the income differentials by occupation have been somewhat rationally rectified after the war, according to the white paper.

As principal reasons for the widened gap of the increasing rates of incomes by occupation today as compared with prewar, the white paper refers to the postwar farmland reform and a new form of wage calculations based on living necessities. In this respect, the white paper points out that the higher rate of income gains for the agrarian household after the war is attributable first of all to the rising weight of landed farming. In support also are the elevation of agricultural productivity resulting from the progress of farming techniques and the higher position of the prices of farm products, which, starting at the time of the food shortage for some time after the war's termination, has continued unchanged up to the present under the potwar price policy of the Government for farm produce. The equally higher rate of income hikes for individual proprietors is ascribed by the white paper to the continued retention by this group of the "superiority" attained by the predominance of the "sellers' market" during the inflationary period directly after the war's termination. The relative decline of the pay position for white-collar workers after the war is held attributable to the lingering effect of a wage rating formula based on the minimum need of sheer living requirements. Also listed as major reasons in this respect are the relative degradation of the weight of intellectuals in inverse proportion to the remarkable increase of the highly educated after the war, the increase in the number of extra desk workers engaged in simple jobs among white-collar men parallel with the intensification of the industrial structure and the increasing complexity of business systems, and the rising ratio of manual laborers who have been shifted to mana-

gerial assignments to cope with the progress of production techniques which eventually has served to minimize the vocational differences between desk workers and manual laborers to the consequent diminution of wage differentials.

Swift Rise of Durable Consumer Goods

It was in fiscal 1953 that the consumption level in Japan began to eclipse the prewar mark, and there is noted a notable change in the consumption structure of national living before and after fiscal 1953 as a turning point. As shown in Table 1, the consumption level of the wage

1. Transitions of City Household Consumption Level

(1934-36=100)

Year	Composite	Food	(Cereals)	(Other)	Housing	Light-Fuel	Clothing	Sundry
1948	61.2	68.8	76.6	65.3	36.8	99.1	25.4	87.5
1949	65.0	74.3	93.0	65.6	46.3	106.6	24.6	87.0
1950	69.8	79.4	83.4	77.7	44.8	103.8	35.7	85.8
1951	68.9	73.2	76.1	72.0	44.2	104.6	39.8	91.6
1952	80.2	79.3	79.7	77.4	54.3	111.5	64.4	104.3
1953	94.0	100.5	90.1	106.9	72.8	121.6	82.5	106.2
1954	100.6	105.5	90.4	114.6	74.1	128.7	82.5	120.0
1955	106.5	112.0	93.2	123.1	78.9	135.0	89.3	126.3
1956	109.5	113.9	93.3	125.8	99.3	137.3	94.9	124.5
1957	118.4	118.2	92.9	132.9	113.7	138.8	104.6	140.4
1958	124.9	122.5	88.7	142.3	133.0	153.1	110.3	145.6

Note: Wage-earner's household in Tokyo.
Source: Economic Planning Agency.

earner's household in the Tokyo metropolitan area slipped to 61.2 percent of prewar in 1948. On the list of expense items, however, those of "sheer necessities" like the "cereals expense," the "light-fuel expense" and the "sundry expense" were maintained at the 80.0 percent level of prewar, but other expense items such as the "clothing expense" and the "housing expense" were reduced to as low as about 30.0 percent. From about 1953, however, the weight of the consumer demand began to shift gradually to the "clothing expense," "the non-staple food expense," and the "housing expense." The hike of the "non-staple food expense" was attributable to the increasing volume of consumption of supplementary items like eggs, dairy products, etc. It is because of the continuously-rising volume of consumption of "semi-luxury" food items that the Engel's Coefficient in the household budget of the urban wage earner still stood at a high point of 41.1 percent in 1958 as compared with the 1934-36 average of 35.8 percent despite the marked elevation of the living standard after the war. The boost of the "housing expense" is mainly attributable to the increasing purchase of household durable consumer goods with the postwar modernization (or rather westernization) of the mode of living offering a principal stimulant.

Notes: On the list of consumer spendings in 1958, the "dining out" expense increased 24.5% over the preceding year, the expense for soft drinks gained 17.0%, the expense for alcoholic drinks swelled 12.4%, and the expense for "processed food products" rose 9.7%; and the food expenses as a whole registered an increment of 5.5%. On the list of non-alcoholic drinks, the consumption of green tea in 1958 increased 8.0% over 1955 while black tea advanced 39.0%, coffee 55.0%, and cocoa 31.0%, clearly indicating the change in the popular tastes for favorite choices. Changes are also noted in alcoholic drinks. The supplies of major alcholic drinks in 1958 (as compared with those in 1955) were 3.0% smaller for Goseishu (synthetic sake), and 1.0% less for Shochu (Japanese gin) while "Western drinks" (like whisky) rose 74.0% and beer advanced 54.0%, comfortably in excess of the average gain of all alcoholic drinks at 27.0% in the interim. Meanwhile the increase of consumption of Japanese sake (wine) in the period under review stood at 24.0%, almost equal to the average.

In closer analysis of the changes in itemized expenses, the consumption of "cereals" on the "food expense" has continued to mark time since about 1949 with wheat (powdered) steadily encroaching upon rice (the pillar of Japan's food life before the war). On the list of "non-staple foodstuffs," the consumption of fish, shellfish and vegetables has been receding gradually while dairy products and fruits have been increasing. A similar change has been noted in other subsidiary items (like a sharp increase of the consumption of coffee, black tea and juices to the retreat of green tea). Parallel with the simplification and "rationalization" of the mode of living, simpler processed foods, particularly canned items, are demanding larger spending with a gain also noted in the expense for "eating out."

The improvement has also been marked for the calory intake. In 1946, the per capita intake per day miserably declined to 1,463 calorie or some 30.0 percent below the prewar average of 2,100 calorie. After the lapse of a few years, however, the intake was returned to the prewar level, and has since been marking time, but the daily intake of albumen today stand at 69-70 grams per capita, or about 30.0 percent higher than prewar and the fat intake has also been doubled to 23-24 grams. Consequently, the physical standard of the Japanese people has been more than fully restored to the prewar level in 1953 through 1954, and the physical conditions of the younger generation today stand well above the prewar levels.

The popular demand under the "clothing expense" appears to have been marking time in these few years, a phenomenon inevitable in the transitional process of shifting from clothing as "daily necessities" to garment for personal adornment. With the consumption of high-quality and high priced clothing on the hike, the clothing expense has increased but the quantitative increase has been restricted. As shown in Table 2, the per capita consumption of fibres in fiscal 1958 declined 2.6 percent from fiscal 1957, but the consumption of highergrade textiles such as wool (up 13.2%), hemp (up 83.3%) and synthetic fibres (up 45.7%) made fair gains. The change in the consumption structure of textiles was first ascribable to the shift of public pursuit from "necessary clothing" to "luxurious garment" now that the nation's clothing needs have now been more than sufficiently fulfilled. Partly responsible for the changing trend, however, is the surprising advance of man-made fibres in Japan like acrylnitriles and polyesters which has made it possible for Japanese textile men to manufacture high-grade mixed fabrics in combination with wool, cotton and hemp. The remarkable progress of processing techniques and the kaleidoscopic change of fashions also cannot be neglected.

Of all essential phases of popular living in Japan, housing alone has still been left in a quasi-post-war state of shortages. Of the total number of households in Japan, some 2,270,000 households (or about 12.5% of the total) are still "living together" or forced to be "squeezed into" smaller dwellings throughout the country. This state of excessive congestion is especially conspicuous in bigger cities. The number of Japanese mats considered acceptable for decent living, which stood at 3.8 mats in 1941, still

2. Textile Consumption per Capita

(In kilograms)

Fiscal Year	Grand Total	Natural Fibre Products						Chemical Fibre Products				
		Total	Cotton	Silk	Wool	Hemp	Other	Total	Rayon (Filament)	Rayon (Spun)	Acetate	Synthetic
1934–36	4.22	3.68	2.74	0.15	0.63	0.16	*	0.54	0.54		*	*
1951	*	*	1.41	0.10	0.46	0.07	*	1.07	0.36	0.70		0.01
1952	*	*	2.33	0.13	0.69	0.07	*	1.28	0.40	0.86	0.02	*
1953	5.66	4.03	2.65	0.12	0.79	0.08	0.39	1.63	0.50	1.00	0.06	0.07
1954	5.74	4.03	2.58	0.01	0.75	0.07	0.52	1.71	0.43	1.14	0.05	0.09
1955	5.82	4.03	2,44	0.13	0.79	0.06	0.61	1.79	0.38	1.19	0.06	0.16
1956	6.68	4.58	2.84	0.14	0.95	0.06	0.59	2.10	0.51	1.19	0.10	0.30
1957	6.06	4.11	2.64	0.12	0.91	0.06	0.38	1.95	0.40	1.10	0.10	0.35
1958	5.90	4.18	2.39	0.11	1.03	0.11	0.54	1.72	0.39	0.72	0.10	0.51
'58/'57 (%)	97.4	101.7	90.5	91.7	113.2	183.3	142.1	88.2	97.5	65.5	100.0	145.7

Source: Economic Planning Agency. Note: * unknown.

registered 3.5 mats in 1955. The speedy and extensive diffusion of household durable consumer goods made possible through the rationalization of the modes of living, however, has been apparently making up for the handicap in space. The diffusion rate of such consumer durables in Japanese households as of August, 1959 stood at 36.7 percent for washing machines, 33.5 percent for television sets, 34.1 percent for electric fans, 23.5 percent for electric rice cookers, and 9.7 percentf or refrigerators. Equally high is the diffusion rate for sewing machines (68.1%), western-style wardrobe (57.6%), and parlour sets (14.7%)–(all figures based on a survey in the city areas). Especially swift has been the diffusion of television sets with the number of television sets formally registered with the Japan Broadcasting Station (N.H.K.) as of October, 1959 eclipsing 3,000,000 with the monthly increase reaching nearly 200,000. Annual sales of electric rice cookers exceed 4,400,000 sets. In contrast to the wider utilization of electricity and gas, the expense for charcoal and firewood has been on the decrease, well indicating the speedy rationalization of the daily consumption life. As shown in Table 3, the consumer spending elasticity coefficient (indicating the rates of increases of various expense items in the household expenditure to show the intensify of demands) stood at an extremely high level of 1.73 for the housing expense (including durable consumer goods) in 1958. The clothing expense and the expense for culture and amusement followed.

3. Movement of Consumer Spending Elasticity Coefficient

Year	Food Expense	Clothing Expense	Housing Expense	Light-Fuel Expense	Expense for Culture & Amusements (Sundry)
1934-36	0.35	1.56	0.92	0.44	1.83
1947	0.83	2.07	1.48	0.82	0.99
1951	0.61	1.66	1.24	0.60	1.46
1953	0.49	1.48	1.14	0.76	1.44
1954	0.51	1.44	0.96	0.76	1.43
1955	0.49	1.38	1.07	0.83	1.44
1956	0.47	1.30	1.43	0.67	1.33
1957	0.46	1.28	1.62	0.65	1.30
1958	0.49	1.38	1.73	0.71	1.22

Source: Economic Planning Agency.

What factors, then, are responsible for such a "revolutionary change" in the pattern of the Japanese consumption life? As the major causes contributing to the increase or decrease of consumption, three factors are generally picked–1) The change in techniques income; 2) Fluctuations of prices; and 3) The change in the demand propensities of consumers. In addition to those three basic factors ,however, three new elements should be taken into account. They are: 1) Marked progress in technical renovation in production methods; 2) The overwhelming influence of mass communications in the circulation phase; and 3) The diffusion of the system of monthly instalment sales.

According to the white paper, the individual income level after the war has continued increasing without a break despite economic recessions, the commodity prices have kept on bullishly marking time since 1954, and the substantial purchasing power has been swelling without any slips. With the supplies of daily necessities thoroughly replenished, the Japanese households are now headed for elevating the level of their modes of living to higher cultural and rationalized standards. Chiefly responsible for this new trend are the elevation of the position of housewives in Japanese households after the war, and the growing shortage of house-maids (310,000 in 1955 as compared with 700,000 in 1930), the two new developments demanding rationalization of household management after the war.

As the most important factor which has served to push the general trends toward "consumption revolution" with far more overwhelming influences than the three factors listed above, however, the white paper refers to technical renovation. Parallel with the progress of technical renovation in key industries after the war, products catering to the "better living" have been manufactured in rapid succession and in large quantities. The modern mode of living which marked the daily life of Americans stationed in Japan directly after the war when the Japanese people were forced to lead the "austerity" life, was another impetus to the bulky flow of modern household equipments calculated to rationalize the recent mode of living in Japanese households. In addition, extensive publicity campaigns conducted by manufacturers of new products through the medium of mass communications like newspapers, periodicals, and radio and television programs came as an additional spur to public purchasing operations. For instance, advertising fees paid by manufacturers in the past 10 odd years increased about 30 fold. The newest addition to already-strong spurs to the public purchasing propensity is the diffusion of the monthly-instalment sales system.

The monthly-instalment sales system has been widely popularized in Japan in recent years with the introduction of ticket and coupon formulas, and some of major department stores are getting ready to adopt this system on a wide scale. According to the white paper, the increase of sales by instalment-payment merchants in the past five years or so has been remarkable, reaching six fold for automobiles, 3.8 fold for intermediary credit-sale organs,

4. Monthly Instalment Sales

(1955=100)

Year	Credit Sales Cos. & Like Organs	Instalment Sales Merchants	Itemwise: Electric Machines	Itemwise: Motor Cars	(Reference) Retail Sales Total
1953	48.5	61.3	—	48.2	86.3
1954	75.5	84.4	—	58.0	92.2
1955	100.0	100.0	100.0	100.0	100.0
1956	128.9	117.3	130.2	160.3	135.3
1957	163.5	136.5	172.7	290.1	145.7
1958	183.4	153.1	231.3	300.5	159.3
'58/'57 (fold)	3.8	2.5	—	6.2	1.8

Source: Economic Planning Agency.

and 2.5 fold for specialized monthly-instalment sales stores. The increases registered by all of those monthly-instalment sales organs are noted to have far eclipsed the gain of retail sales in general at 1.8 fold (refer to Table 4). Retail sales by instalment payments in 1958 totalled ¥173,700 million, or about 7.5 percent of the total proceeds of all retail stores throughout the country, the white paper reported. One of the outstanding features of the monthly-instalment sales system after the war is the advance of durable consumer goods. Before the war, sewing machines, western-style clothing, shoes and bicycles were virtually the only items covered. After the war, however, electric washing machines, television sets and electric cookers have been added to the list, indicating the intensive popularization and notable diversification of "monthly-instalment" products. The Economic Planning Agency's survey reveals that the number of households making use of monthly-instalment payments purchases as of August, 1959 was some 20.0 percent larger than a year ago. In other words, about half the total number of Japanese households are the "beneficiaries" of this system, and this trend is particularly popularized among the medium-bracket stratum with the annual income ranging from ¥200,000 to ¥600,000.

Although the consumption level of the Japanese people has thus been encouragingly raised, the number of households which can afford to buy own cars or have own houses built is still restricted. For all that, it is certain that the consumption standard is bound to leap further parallel with the increase of income in the future, and many and various plus factors resulting from the "consumption revolution" will become further concrete and permanent.

For all the benefits which the Japanese people have thus been enabled to enjoy on the strength of the so-called "consumption revolution," however, one big problem stands in the way–the semi-chronic unbalance of consumer spending by occupation, by social position, and by region. For instance, the consumption levels in the urban and agrarian areas, which were almost virtually equal in 1953, have since been growing unbalanced. Five years later in 1958, the consumption level in the urban area was 21.6 percent higher while that in the agricultural community was only 12.1 percent up. The same is the case with the diffusion rate of durable consumer goods. In the city area, the increasing rate of diffusion of television sets and wasing machines and other electric appliances in the five years under review reached 30–40 percent while that in the agrarian area was less than 10.0 percent.

Let us now refer to the average consumer spending per household by occupation on the basis of the white paper. On the list, proprietors registered the biggest gain, followed by desk workers in civilian and governmental employment, merchants, and technicians. Next came permanently-employed laborers and extra hands. In closer analysis, the consumer spending by the household of the extra (day) worker was less than half the spending by the household of the proprietor, and some 580,000 households receiving State livelihood protection aid are leading the life far below that of those extra hands.

Regionally classified, the living level in the Tokyo metropolitan area is about three fold higher than that in the Kagoshima prefecture at the south extreme of Japan proper. It may be pointed out in this connection that the per capita income of Japan stands 28th in the world ranking, a position demanding positive elevation. As stated, the increasing tempo of income for merchants, laborers and farmers is far greater than that for desk workers today as compared with the pace before the war, but the rate of rationalization in the living mode is still far behind for the former. In this connection, some decisive measures are considered necessary for the proper rectification of the unbalance of consumption levels by region.

Spending up for Culture & Amusement Expenses

The white paper points out that the rise of the consumer spending in cultural phases has made a notable increase. Fo instance, the recent diffusion of durable consumer goods has not been based simply on rationalization of household management but is partly aimed at greater comforts in daily living. According to a recent survey by the Ministry of Education, televiewers throughout Japan spend about four to five hours a day before their T.V. sets.

Another survey by the Economic Planning Agency (on the trends of consumers) as of August, 1959, some 43.0 percent of households in the urban area made travels (over 50 kilometres, one way, and staying at hotel overnight: exclusive of school excursions) in the preceding one year, with the average expense per household standing at about ¥14,000. The National Railways also reported that some 34,440,000 persons made travel by party units in fiscal 1958 (about double the prewar equivalent).

The weight of the "amusement expense" in the household expenditure has been on the notable increase year by year, with payments for sport events, movies, dramas and books hiking by leaps and bounds. In this connection, the spending for the purchases of weekly magazines

is particularly sizable. With more than 50,000,000 copies of more than 40 different weekly journals placed on sale throughout the country each month, at least one out of every two Japanese is estimated a copy every month.

Up also has been the spending for education. According to a recent survey by the Ministry of Education, the direct expense borne by each head of the family for the education of his sons and daughters (primary and middle schools alone) averages ¥12,000 and that for high schools ¥32,000 in fiscal 1957, up 30.0 percent for primary school, up 15.0 percent for middle school, and up 12.0 percent for high school, over the preceding year. As such educational expenses are far less elastic than other expenses, they are proving a heavy burden on the general household expenditure, particularly for the low-bracket stratum. Meanwhile, the ratio of the school education expense in the total household spending, which stood at only 1.9 percent before the war (1934–36) rose to 3.2 percent in 1958. Despite the aggrandizement of family burdens, the number of students proceeding to higher schools is increasing year after year.

In 1930, the number of middle school students (old system) against the total number of youths of the education age stood at 15.2 percent and the ratio of those in high schools and colleges registered 2.5 percent. In 1955, the high-school students (new system) rose to 51.5 percent and the college and university students to 8.8 percent.

As stated, the diffusion of modern household appliances such as television sets, electric washing machines and radio sets in Japanese families has been wide and swift while the weight of expenses for cultural and educational purposes has increased sharply after the war. On the other hand, regrettably belated has been the improvement of modern living facilities in the wider sense, such as transportation and sewerage. Another headache is the housing shortage, and many workers in the city have to live in far-away suburbs, a reason for the acute congestion of traffic. In contrast to the fair progress of water-supply operations, the drainage system has not been properly improved to cope with the amazing growth of population. As of the end of 1958, some 40,700,000 persons enjoyed the advantage of city water supplies (or about 45.0 percent of the total population), as compared with 95.0 percent in England, and 85.0 percent in the United States. The utilization ratio, however, is rather high in the city areas (74.0 percent in Tokyo, and 84.0 percent in Osaka), but still far behind the 100.0 percent utilization in bigger cities in advanced countries. As regards the drainage system, the present state appears discouraging. For instance, the drainage population (those using drainage facilities) in 1957 stood at 10,180,000 or 38.6 percent of the set goal (by the Construction Ministry at 26,370,000).

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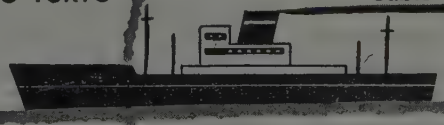

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Industry

Export Industries

From the latter half of 1958 into 1959, Japan's national economy experienced an unexpectedly rapid expansion in all respects. Gross national product from April through June, 1959, is estimated to have totalled ¥10,952 billion, or a tangible gain of 12% from the like period of the preceding year. In October of the same year, the mining and manufacturing production index came at 192.3 (1955 as 100), registering a sharper upcurve of 28% from a year ago.

General Outlook

The biggest factor responsible for such economic growth was the briskness of domestic demand, particularly the active recovery of inventory investments, but there can be no doubt that the increase of export trade also made a great contribution to the business boom. Since the turn of 1959, business indicators have been curving upward month after month.

As a result, January-October 1959 exports summed up to $2,770 million, or up 19% from a year ago, according to customs statistics. Reasons were many, but the most important factor was the increased sales to advanced industrial countries, especially the United States which bought from us 53% more from January through September, last year, than in the same period of 1958. It is to be noted that the increase of shipments to the United States accounted for as much as 70% of the global gain of the export total. In one word, the remarkable expansion of sales to that country was by far the biggest factor for the export boom.

In this period, food and drink shipments totalled $210 million (comprising 7.6% of the total), registering an increase of 17% from the corresponding period of 1958. This gain came mostly from bigger sales to the United States and the United Kingdom. Canned goods were shipped in greater volume to the United Kingdom thanks to the relaxation of import restrictions by the London Government.

Exports of textiles and manufactures thereof amounted to $816 million (29.4%), or up 13%. Tangible gains were witnessed in raw silk, silk piece-goods, garments and wool fabrics—an undeniable reflection of the remarkably increased shipments to the United States. Owing to such brisk export trade, the textile industry as a whole has managed to recover itself from the long-standing recession.

As for pharmaceuticals and chemicals, the total came at not more than $140 million (5.1%), but a big hike of 21% was recorded mainly because chemical fertilizers were sold increasingly to Taiwan and other neighboring countries. For all this, fertilizer makers have got rather dull. And it is feared that some sort of adjustment will have to be introduced in 1960.

The fourth category, or non-metallic mineral products, aggregated $103 million (3.7%), or up 16%. In this group, the increase of chinaware sales was strikingly contrasted to the slackness of cement trade, but cement interests have been little affected because domestic buying has been active.

Outgoings of metals and metal products reached $317 million (11.4%), but the rate of increase was not more than 6% mainly because iron and steel exports failed to increase as briskly as ever due to the growing requirements at home.

Machinery sales added up to $652 million (23.6%), or a substantial gain of 25%. But it is to be noted that steel ships, thus far the most important item in this category, registered a very small gain of 4%, this being attributed to the weakening shipping market. In view of the rapid depletion of their backlogs, shipbuilders have been forced to take counter-measures for conversion to land use machines and other managerial changes. In this connection, it is interesting to note that the increased sales of sewing machines and automobiles made up for the shrinkage of ship exports.

The category "others" totalled $532 million (19.2%), recording the steepest climb of 30%. Major gainers were optical equipment, toys and plywood, increasing over a year ago by 30%, 24% and 35%, respectively.

Textile Goods

In 1959 overseas shipments, raw silk, silk goods, wool goods and secondary textile products (garments, etc.) registered marked quantitative gains, while on the other hand trade sharply shrank or got stagnant for all other textile products. Market prices have risen or remained on a high level on the whole for all items except cotton yarn, silk goods and wool goods.

Raw Silk & Silk Goods :—January-November silk shipments totalled 69,063 bales, valued at $34,467,000, or registering the sharp increases of 204.2% and 211.3%, respectively, from a year ago. Such a "silk boom" was ascribed to the following circumstances :

1) Demand for silk and silk goods markedly increased due to the general business recovery all over the world, particularly in the United States where consumers took a definite liking for natural silk.

2) Toward the end of 1958, the Government's measures for stabilization of silk prices began to bear fruit so that the market got stabilized. As the result, active inventory buying come from abroad.

3) Silk shipments from Communist China decreased almost to nil in 1959 in contrast to the 1958 dumping of Chinese silk on the European and Southeast Asian markets.

The majority of Japan's silk and silk goods shipments usually go to the United States and Canada. Especially in the case of silk fabrics, as much as 90% is bound for the United States, and of the total sales to that country, organdie (mostly for dress lining, ribbons, etc.) account for 30%. Weavers of this cloth in the Kanazawa and Fukui districts are reported to have secured backlogs big enough to operate at full capacity up to June, 1960.

As for 1960 outlook, interested circles are painting a rosy picture. They expect that annual exports will reach 80,000 bales for raw silk and 70,000,000 sq. m. for silk goods. But some of them are afraid that requirements will decline in all likelihood if the market firms up, for the current silk boom has come, for the most part, from the stable and cheap prices. For instance, it is simply because of its cheapness that organdie has been able to regain much lost ground from nylon.

After all, if only prices remain stabilized at the current level, demand certainly will continue growing. Nothing is more important than price stability. In fact, however, some fear exists that the market will curve up owing to the tightening supply situation.

In the 1959 silk year (from June, 1959, to May, 1960), production is estimated at about 310,000 bales on the basis of cocoon crops in 1959. Besides, the Government holds in stock 91,000 bales. Thus, the total supply comes at 401,000 bales. Requirements, on the other hand, are estimated at 400,000 bales: i.e. exports at 90,000 bales, raw silk for export fabrics at 80,000 bales, and domestic needs at 230,000 bales. This means that supply cannot be balanced with demand unless the Government releases its stocks. Such being the circumstances, it is likely that the market will soar as soon as speculative buying starts. This is a grave issue confronting silk trade.

Cotton Goods:—As the dullness from January through April, 1959, was offset by brisker shipments after May, January-November exports added up to 929,730,000 sq.m. or the same level as a year ago. In terms of value, a gain of 3% was recorded, indicative of the ever-increasing sales of superior cotton goods and the subsequent advance of unit prices.

The greater exports in the latter half were ascribed to the following factors: 1) As domestic cotton yarn stocks decreased to the normal level or 420,000 bales in June, the market began to strengthen, and this stimulated active purchase offers from abroad; and 2) overseas requirements turned upward due to the worldwide business recovery. Especially in the Southeast Asian countries, such as Indonesia and Burma, the balance of payments position got better than ever, and active inquiries came to Japanese spinners and weavers, who could not accept all the purchase offers for some items because of the shortage of good exportable goods.

It has often happened that inquiry prices are lower than market quotations at home. If the domestic market further strengthens, purchase offers from abroad will gradually decline. But supply will substantially increase in the future as all the restrictions on operations will be removed as from January, 1960, with the exception of the 15% equipment sealing, and this will check any abnormal price rise.

Woollen Goods:—Woollen Goods have been enjoying some sort of boom as in the case of silk goods. January-November 1959 shipments reached 24,430,000 sq. m., or well over the previous yearly record of 24,270,000 sq. m. in 1957. But the unit price was somewhat lower than that in 1958 as may be noted in the fact that the rate of increase in January-November business was not more than 36% in value contrasted to 43% in volume.

Rayon Goods:—Trade was as dull as ever for rayon goods. As for rayon fabrics, January-November exports were off 23% from a year ago. At this rate, the yearly total will be not more than 240,000,000 sq. m, compared with the postwar record of 366,310,000 sq. m. in 1956.

As for spun rayon fabrics, the rate of decrease in the same period turned out 20%, and annual shipments will be not more than 580,000,000 sq. m., or 200,000,000 sq. m. less than 1957's record figure.

Such dullness of rayon trade has come, among others, from the "silk boom": i.e. weavers, holding a huge amount of backlogs for silk goods, have been reluctant to weave three major kinds of export rayon fabrics, especially MMA, satin and fujiette. It is also to be noted that India has started exporting rayon fabrics by importing cheap rayon yarn from Japan.

Secondary Products:—On the steady increase since 1955, secondary textile products exports in 1959 again climbed up by about 40%. The best clients were the United States and Canada, and jumpers (spun rayon or rayon-synthetic textile mixed) sold very well. It is reported that the Canadian Government will impose an import restriction upon spun rayon garments as from January, 1960. The Ministry of International Trade & Industry has informally decided to introduce some kind of adjustment in garment trade.

1960 Prospects:—The most ticklish problem for all

textile goods but raw silk will be the liberalization of intrade, i.e. the overall application of automatic approval (AA) to material imports. Free imports of materials will bring about far-reaching repercussions to bear upon all the industries, which have been, so to speak, grown in the green house of trade control or the foreign exchange allocation system. The possible aftermath is summarized as follows:

1. The liberalization of material imports may stimulate an unnecessary rivalry because the autonomous restrictions upon equipment and operations will be stripped of their "bones". The restrictions have so far been observed mainly because material allocation has been reduced against any violation. Under the AA system, however, material allocation is hardly possible, so it will become extremely difficult to enforce a strict operation curtailment. As for the restriction on equipment, the Equipment Temporary Adjustment Law simply provides for a fine not exceeding ¥300,000 against violation—too liberal punishment to check any equipment expansion.

2. Insofar as textile goods made of imported materials are concerned, there is some fear of trade depression. The present export briskness has come from low cost and superior quality, but another important factor is the import-export link system: i.e. foreign funds are to be allocated at fixed rates for material purchases to those traders who have exported linked products. This system has been a good incentive for traders, who can secure a wide margin from materials imported with the allocated funds, but it will be abolished completely with the introduction of overall automatic approval. Some people fear that this will cause a recession in textile trade because it is doubtful if traders, well able to earn a good margin in domestic commerce, will take much interest in export business.

3. Rayon and synthetic textiles, too, cannot remain unaffected if cotton and wool imports are made free and prices go down tangibly. This is particularly stressed because man-made textiles are competing with these natural fibres in many fields. More efforts will have to be directed toward cost reduction. In this respect, newly-rising textiles, such as Tetoron, will be affected most severely as they are still in the course of development. Not only that, they will have to compete also with foreign counterparts the prices of which are somewhat lower than theirs, if import trade is liberalized.

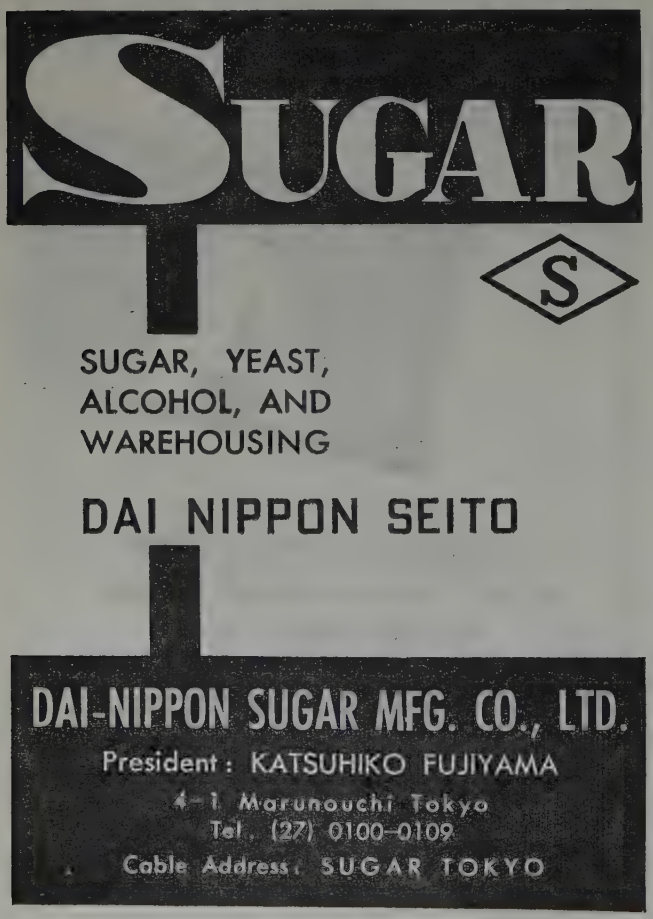
Iron & Steel

Iron and steel exports in 1958 totalled 1,690,000 mt., valued at $250 million, both registering substantial gains from 1957's 1,000,000 mt. and $209 million. This was because the weaker market at home forced makers to exert efforts for greater overseas sales, whereas in 1957 the briskness of domestic needs aggravated the steel shortage and jacked up prices to the extent that makers were not much interested in export trade. In other words, the shrinkage of inventory investments in 1958 resulted in the slowdown of requirements for producer goods, iron and steel in particular, and, on the other hand, steel production capacity had expanded so considerably that steel firms found it necessary to sell abroad more than ever their increased products.

A particularly big gain was seen in 1958 shipments to the United States. Sales also rose to Communist China, Taiwan, Thailand, the Philippines, Brazil and Argentina. With the turn of 1959, however, exports got top-heavy on the whole as domestic requirements picked up and prices curved up at home. Quarterly shipments decreased from 400,000 mt. from January through March to 380,000 mt. in the following two quarters. Though sales remained on a high level to the United States and markedly increased to Brazil and India, shipments shrank to Thailand, Burma and Malaya. Classified by item, trade was as brisk as ever for galvanized iron sheets and steel plates and got buoyant for pipes and rails.

The continuous briskness of shipments to the United States came from the following circumstances: 1) Japan's competitive power rose thanks to the fall of export prices, 2) building requirements in the United States, especially on the Western coasts, got brisk, and 3) American importers made active purchases in anticipation of the steel strike.

Inquiries from the United States, however, will decrease if and when steel works there resume operations with the solution of the labor issue. For all this, U.S. purchases will average 500,000 mt. a month for some time to come, and it is estimated that the annual total will add up to 6,000,000 mt. In the first half of 1959, the United States



bought the biggest amount of iron and steel from Belgium, and West Germany was the second largest source of supply, followed by Japan.

Japan's export goal for the fiscal year from April, 1959, through March, 1960, is scheduled at 1,550,000 mt. From April through September, 1959, shipments totalled 760,000 mt., or one half of the target. As for the outlook in the latter half, however, optimism is unwarranted owing to the growth of domestic requirements, the strengthening of the home market, and the relatively high prices of Japan-made steel products.

Overseas sales of metal manufactures from July through September, 1959, summed up to well over $30 million, breaking the previous postwar record. Tangible gains were witnessed in barbed wires, nails, bolts, nuts, carpenter's tools, household implements, knives, forks, spoons, cutlery and builder's hardware. Especially conspicuous were the increases of shipments to the United States, including barbed wires, nails, bolts and nuts, stimulated by the building boom there.

Since the turn of 1959, both production and delivery of iron and steel products have steadily been climbing up, breaking one record after another, thanks to the prosperity of related industries, particularly auto making and construction. The market has been enjoying stability as makers have built up their ample capacity and material prices have registered no wild fluctuations. Prospects will be as encouraging as ever, so leading steel firms are pushing their production increase programs. Because the scrap market is likely to strengthen, some corresponding rise will be seen in steel quotations.

Shipbuilding

Not only has the shipbuilding industry made remarkable progress as one of Japan's export lines, but also it has accomplished a complete face-about from naval to civilian needs at home and abroad. Constituting the biggest item in the field of so-called plant exports, ships now account for more than 10% of the nation's total exports.

Extreme dependence upon the overseas market, however, means a weakness. Shipbuilding companies cannot be said to stand on a very firm foundation because overseas requirements fluctuate wildly. The worst period of depression and trial now appears to be coming upon them, for the freight market is most likely to remain stagnant for a fairly long period to come. Purchase offers from abroad will continue shrinking, so little hope exists that another export boom will come in the near future.

Steel Ship Construction

(In gross tons)

Fiscal Year	Domestic Use	Exports	Total
1955	254,605	502,390	756,995
1956	513,947	1,267,111	1,781,058
1957	890,628	1,465,226	2,355,854
1958	861,592	1,209,216	2,070,808
1959 (Apr.—Sept.)	275,534	514,422	789,956

In this light, though their best client has so far been Greek shipowners, leading shipbuilders are trying hard to search out new outlets in Southeast Asia, Latin America, the Soviet Union, etc. At the same time, they are taking positive steps for expansion of their additional lines, such as automobiles, rolling stock, prime movers, cranes and industrial machines.

Motor Cars

In 1959, exceptional prosperity prevailed in the auto industry: both output and sales registered a sharp upcurve, stimulated by the ever-brisker business boom. From January through September, 1959, production was up 38% from the like period a year ago and four times as much as that five years ago. Particularly remarkable was the 48% increase of midget four-wheelers strikingly contrasted to the 6% gain of large-size trucks and buses.

This was ascribed mostly to the current "passenger car boom". The number of owner-drivers has been increasing markedly in the past years. Taxi-cars are running more and more all over the country. Midget trucks are enjoying ever-greater popularity among minor industrialists, wholesalers and retailers because they are more suitable to road conditions here than large ones.

Over 80% of the total needs for midget cars had been supplied by two top makers, or Toyota Motor and Nissan Motor, both manufacturing midget trucks and passenger cars on a big scale. Besides, small passenger cars had also been made by Hino Diesel Industry, Fuji Precision Machinery and Isuzu Motor; and small trucks by Toyo Kogyo and Tokyu Kurogane Kogyo.

In 1959, the industry was plunged into utter confusion

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as newcomers entered the arena. Mitsubishi Heavy Industries Reorganized in June announced its new midget truck, and it went so far as to put on the market a Volkswagen type car, "Mitsubishi 500", in September. Isuzu Motor, thus far specializing in large-size trucks, in August announced its 2-ton midget truck under the trade name "Elf". Other small truck models marketed last year include Daihatsu Kogyo's "Midget", Hino Diesel Industry's "Commerce" (freight-passenger cars), Fuji Precision Machinery's "Subaru", Tokyu Kurogane's "Baby", and Aichi Machine Industry's "Connie".

Thus, it is seen that a cut-throat competition took place among midget truck makers in the past year. In 1960, a similar rivalry certainly will occur among passenger car builders, old and new. This means that the center of gravity is gradually moving from trucks to passenger cars.

Over 20,000 cars now are being manufactured every month, of which 1,500 units are sold abroad. From January through September, 1959, exports totalled $5,730,000 (5,000 units) for passenger cars, $25,991,000 (9,259 units) for buses and trucks, or up 65% and 168%, respectively, from a year ago.

Electric Machinery & Equipment

In 1958, electric machinery and equipment exports amounted to $99 million, or a substantial increase of 33% from a year ago.

Of this total, heavy machinery comprised $9.7 million, or slightly up 4%. Classified by destination, 1958 shipments visibly shrank to Taiwan and Korea which bought actively in the preceding year, but increased to such countries as Burma, India, the Philippines, Mexico and Iran.

As for wireless equipment, exports, on the steady rise in the past years, made a steep jump to $44 million in 1958, or 2.5 times larger than a year ago. Especially remarkable were the gains registered by such items as radio sets, vacuum tubes television sets and transistors. Radio sets alone summed up to $34 million, or 3.1 times as much as 1957 sales. The best client was the United States, buying 53% of the total, and other customers were Canada, Hongkong, Korea and West Germany.

Electric wire and cable exports in 1958 aggregated $6.9 million or a decrease of 60%. This sharp contraction came from the considerable drop of communication cable outgoings. On the other hand, power cables, special insulated wires and rubber insulated wires recorded tangible gains. Major destinations were the United States and the Southeast Asian countries. The 1958 shipments markedly curved upward to Burma (in form of war reparations), Thailand, Taiwan and India.

From July through September, 1959, overseas sales of machinery and equipment added up to $202 million, or up 6% from the preceding quarter and up as much as 40% from the like period of 1958. This was the first instance since the war's end of quarterly machinery shipments exceeding $200 million. Compared with a year ago, the rate of increase in this quarter was as high as 220% for electric machinery, whereas it was 33% for general machinery and 39% for transport equipment. This clearly indicates the marked briskness of electric machinery trade.

At any rate, electric machinery has become one of the most promising export items in Japan's machinery trade. Monthly sales ranged from $6 to $8 million up to August, but the figure rose to $10–11 million from September through December, 1958. In 1959, the monthly average rose to $13 million from March through April and further climbed up to $15 million from June through July. And the figure jumped to $18 million in August.

Such a sharp gain was accounted for by ever-brisk sales of radio receivers. Radio set shipments averaged $5 million or so a month early in 1959. Business doubled to $11 million in August due mainly to the wider popularity abroad of transistorized midget sets. The United States again was the heaviest buyer: her purchases in March stood at not more than $3 million but made a hike to well over $7 million in August.

In this light, EIA members have reportedly submitted a petition to OCDM, claiming that such a flood of radio sets from Japan will throw a wet blanket over the production efforts of American electronics makers and thereby cause a serious menace to national defense.

From January through September, 1959, heavy electric machinery exports turned out twice as much as those in the like period of 1958. But trade was rather stagnant,

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remaining on the same level as a year ago, for electric wires and cables.

On the whole, electric machinery production has been on the steady climb. In 1959, output from April through June was up 20% from the January-March quarter; and that in the July-September period, up 12.1% from the preceding quarter. Due to seasonal factors, production has been getting dull for durable consumer appliances, but capital goods items have been fabricated increasingly, indicative of the greater manufacture of large-sized generators and industrial electric machines.

Petrochemicals

Chemical firms and oil refiners have been enjoying something like a petrochemical boom. Having completed most of their first stage construction works, they now are blueprinting their second stage programs for expansion of petrochemical projects. Their expansion applications already submitted to the Ministry of International Trade & Industry are estimated to involve such a huge fund as ¥100 billion.

In petrochemistry, Japan is often said to have fallen 4 decades behind the advanced countries, so nothing appears to be more essential for her to promote this new business as a source of material supplies for synthetic resins, textiles, etc. and also as a means for reduction of production costs in the related industries. Naturally, many businessmen are much interested in this industry, for its development certainly will usher in a marked transformation in the chemical industry. The future of the organic chemical industry is much dependent upon the success or failure in petrochemical business.

The first firm to undertake petrochemistry in this country was Maruzen Oil, which in March, 1957, completed its plant for butanol and methyl-ethyl ketone. Two years later, the first stage construction plans were nearly accomplished by 13 companies with the total fund of ¥82 billion. Petrochemical plants have been put into operation one after another, including Mitsui Petrochemical's at Iwakuni, Mitsubishi Yuka's at Yokkaichi and Nippon Petrochemical's at Kawasaki, each requiring a construction cost of more than ¥10 billion.

As the result, a number of petrochemical products have been put on the market since 1957, while on the other hand arrivals from abroad have been on the steady decrease. Though some products not yet made at home, such as synthetic rubber and methyl-isobutyl ketone, are still imported increasingly, imports have dropped almost to nil for such aromatics as acetone, ethylene oxide and benzol. Savings in imports of these items in fiscal 1958 are estimated to have summed up to $33 million.

Whereas the first stage projects were undertaken mostly for polyethylene, the second stage projects are being worked out for industrial production of propylene, butylene, etc. Five firms have submitted their plans for 40,000 mt. a year to the Ministry of International Trade & Industry. As for the total cost of the second stage projects, no exact estimate has yet been made, but it will reach an enormous sum.

Pharmaceuticals

Pharmaceutical production in 1958 totalled ¥130.7 billion, or nearly twice as much as 1953's ¥75.6 billion. If account is taken of the price fall in this period, output is estimated to have more than trebled in quantity.

In the early postwar years, Japan had to buy from abroad most of the new effective drugs owing to the serious war damages to pharmaceutical plants and the technical backwardness in this line. As reconstruction works proceeded rapidly and demand picked up briskly, one firm after another have succeeded in making at home many medicines thus far imported, including penicillin, streptomycin, chloromycetin, acromycin, sulfa drugs, hormones, DDT, water-soluble vitamin, irgapyrin (antirheumatic and analgesic), etc.

As the result, leading pharmaceutical companies have successfully developed recommendable techniques and produced new medicines of their own. Their overseas sales have increased to the extent that Japan's pharmaceutical trade as a whole has been balancing favorably since 1957. Particularly remarkable has been their success, technical as well as business, in the field of vitamins. Takeda Pharmaceutical, for instance, is noted for the synthesis of B_1 and its derivative, *Arinamin*.

Another promising export item are some antibiotics developed in this country. Kanamycin, for example, now is being made on an industrial scale by Meiji Seika. It was first discovered by Dr. Umesawa, of the National Institute of Public Health. Kyowa Fermentation Industry has got purchase offers for *mytomycin* and even proposals for technical cooperation for its production abroad. A good deal is also expected of Takeda Pharmaceutical's *dihydrostreptomycin* and Fujisawa Pharmaceutical's *trichomycin*.

Out of the total production, about 4% is being shipped abroad. Shipments added up to $10,459,000 in 1956, $13,610,000 in 1957 and $12,994,000 in 1958. The figure for the January—September 1959 period turned out $10,439,000, or 6% from the like period a year ago.

Foodstuffs

Foodstuff exports in 1958 amounted to $230.7 million, or up 29% from the preceding year. And the figure ac-

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counted for 8% of the total exports. From January through September, 1959, food shipments were as brisk as ever, reaching $127.7 million or a gain of 18% from the like period of 1958. Important items in this group were canned mandarins, canned salmon and trout, frozen tuna, canned tuna, canned crabmeat and monosodium glutamate.

Canned Mandarins: The best client is the United Kingdom who every year buys two-thirds of Japan's canned mandarin exports. In the past few years, however, an increasing amount has been shipped to the United States. Interested circles now are expecting a good deal of sales to that country because they think that their slack business in the past has been ascribed merely to the lack of publicity on their part.

In order to prevent an unnecessary competition among exporters, agreements are in force under the provisions of the Export Trade Control Ordinance, providing for the quantity and prices of canned mandarins to be shipped to the United Kingdom and for the export prices of canned mandarins bound for other destinations. Mandarin canners, on the other hand, have organized themselves into an association for control of production.

Canned mandarin exports in 1958 reached $15.8 million compared with $15.7 million in 1957 and $15.0 million in 1956. From January through September, 1959, shipments totalled $16.2 million, or an increase of 15% over the like period of the preceding year.

Canned Salmon: Overseas sales have been on the steady gain with the exception of 1957 since the re-opening of fishing operations in the Northern waters. In 1956, $44.8 million worth was shipped abroad, and the figure rose up to $68.6 million in 1958 though it dropped to $33.6 million in 1957. January-September 1959 shipments totalled $33.5 million, or up 22% from a year ago.

The United Kingdom is again the best customer. In line with the O.G.L. import system adopted by the London Government since September, 1958, canned salmon exports have been carried out smoothly with the designated 12 British importers.

Frozen & Canned Tuna: Frozen tuna has been sold increasingly direct to foreign customers, particularly in the United States, from fishing boats, which have come to operate far in the Indian Ocean and even in the Atlantic since the war's end. Including shipments from Japanese ports, overseas sales added up to $15.4 million in 1956, $19.3 million in 1957, $26.5 million in 1958 and $24.7 million in the January-September 1959 period, the last figure registering a gain of 23% over the like period a year ago.

As for canned tuna, the United States is the biggest buyer, but she is purchasing only canned tuna in brine because a prohibitive import duty is imposed upon canned tuna in oil. The latter kind, therefore, is shipped to other destinations. As for canned tuna in brine sales to the United States, production is being adjusted by the Nippon Maguro Kanzume Yushutsu Suisan Kumiai (a tuna fishing association) and shipment volume is controlled by the Nippon Kanzume Yushutsu Kumiai (a canned food exporters association) so that any restrictive step on the part of the United States may be prevented.

Canned tuna exports summed up to $16.7 million in 1956, $17.8 million in 1957, $15.3 million in 1958 and $11.9 million from January through September, 1959, or up 25% from a year ago.

Canned Crabmeat: Overseas sales aggregated $10.5 million in 1956, $11.3 million in 1957 and $12.8 million in 1958. In the first nine months of last year, business reached $12.3 million, recording an increase of 23% from the corresponding period of 1958. But no hope exists that a steady upcurve will be drawn in the future as salmon hauls are strictly restricted in accordance with the resolution adopted by the Japan-Soviet Fishery Commission in April, 1959.

Monosodium Glutamate: Exports had been stagnant in the past few years ($9.5 million in 1956, $9.6 million in 1957 and $8.0 million in 1958) due to the increase of production in the Western countries and to the growing shipments from the United States, Italy and Communist China. From January through September, 1959, however, sales amounted to $7.5 million, or a visible gain of 42% over a year ago.

Cameras & Binoculars

Camera exports have steadily been climbing upward. In 1958, shipments totalled 610,000 units, valued at ¥4.6 billion, or up nearly 10% from a year ago. The export boom continued into 1959: January-September sales amounted to 590,000 units, valued at ¥4.8 billion, compared with 470,000 units, valued at ¥3.8 billion, with the rates of gain coming at 23% and 24%, respectively. Besides, camera part sales in the same period curved up to ¥1.8 billion from ¥1.3 billion in the like period of 1958.

Up to 1958, due to the active inquiries from abroad before the Christmas season, overseas shipments in the latter half used to turn out about twice as much as those in the first half. This was in fact a serious headache on the part of camera makers, for they found it hardly possible to carry out production on a planned basis from January through December.

In this light, leading makers have entered into agreements with overseas agents about month-by-month deli-

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veries and taken other counter-measures so that their export business may be kept as stable as possible throughout the year. The afore-mentioned marked increase of January-September 1959 sales clearly indicates that their efforts in this direction have come to bear fruit. It means, however, that no seasonal boomlet will be seen in the latter half. But annual sales in 1959 will eclipse the 700,000 unit mark in all likelihood.

The most popular type is still 35 mm cameras, but 4×4 cm twin-lens reflex and 8 mm cinema cameras have been exported increasingly. Since the turn of 1959, one-lens reflex cameras have been registering a sharp upcurve in export business. There are indications that this type will gradually take the place of focal plane 35 mm cameras as the biggest export item.

In spite of such brisk exports, camera makers have been suffering from over-production since 1959, whereas many other industries have been enjoying exceptional prosperity. All this is ascribed to the fact that the domestic market, which steadily picked up till 1957, has been top-heavy since 1958.

To cope with such conditions, one maker after another have been offering new models and cutting off sales prices since 1958. And leading interests are trying hard to find a way out of the difficulty by multilateral management. For example, Riken Optical Industries has started making office equipment; Olympus Optical has been putting emphasis upon microscopes; Canon Camera is striving to fabricate synchroreaders on an industrial scale; and Nippon Kogaku and Tokyo Optical are planning to diversify operations more than ever through manufacture of other optical equipment.

It is also noteworthy that, as a measure for export promotion, utmost efforts are being pushed for cultivation of new markets in Europe, Australia, etc., thereby to get rid of the too much dependence on the American market.

From January through September, 1959, binocular exports (including telescopes) summed up to 1,700,000 units, valued at ¥4.9 billion, compared with 1,380,000 units, valued at ¥4.1 billion, registering increases of 23% and 21%, respectively.

About one half of these shipments was bound for the United States. Other destinations were, among others, Sweden, Canada, Switzerland and West Germany.

Out of the total binocular output, as much as 90% is annually sold abroad, and only 10% at home. Thus, it can be seen that makers have found their business getting much better thanks to the tangible increase of 1959 shipments. It must be noted, however, that a large number of minor interests account for the majority of the total production, while on the other hand not more than 10% is made by some big fellows with authorized capital exceeding ¥10 million, and that the export prices are falling off due to the cut-throat competition among makers and as the result of foreign buyers' hammering-down—the biggest headache of interested circles.

To prevent the price fall, the check price system has been in force and the volume of shipments has been restricted, but no good result has yet been attained. Recently, however, export prices have slightly curved upward owing to the briskness of inquiries from abroad.

Cement

Cement production in fiscal 1959 is estimated at 16,550,000 mt., or up 10.8% from a year ago, of which about 10%, or 1,600,000 mt., is set for overseas sales. This export goal shows a gain of 8% from fiscal 1958.

Due to the increase of the public works budget appropriations, domestic requirements have been getting brisker than in the past years. Stimulated by the general business recovery from the first to the second half, private equipment investments have picked up so that private needs will increase substantially, too, especially in the construction industry.

Overseas sales, on the other hand, got extremely dull from 1958 to the first months of 1959, so much so that it appeared problematical if the scheduled 1,600,000-mt. goal would be attained. Since May, 1959, however, trade has been recovering from the depression, and it now is expected that the target will be attained in all likelihood. But optimism is not warranted as January-September sales registered a 13% decline from a year ago.

First of all, mention must be made of the fact that the foreign currency shortage is assuming serious dimensions and, moreover, self-sufficiency in cement is rising in some Southeast Asian countries, which usually purchase about one half of Japan's cement exports. Taiwan and India have already become cement exporters, indicative of the recent change on the Southeast Asian market.

Then, this market is also flooded with cement from the European and Communist countries. Western products are quoted at $10-20 FOB compared with the $16.2 export price of Japanese cement. In this light, cement makers have formed an export cartel: charges are collected at the rate of ¥25 per mt. of cement deliveries, for domestic use and exports, so that an export subsidy may be granted

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on overseas shipments at prices lower than the fixed standard price (at present $16.2 FOB).

Important overseas outlets are three: i.e. 1) US offshore purchases, including those through ICA channels (20-30% of the total), 2) destinations on the Persian Gulf coasts (15% or so), and 3) the Southeast Asian countries (50-60%). It deserves special mention that sales to the Dollar Area at comparatively high prices have been shrinking while on the other hand cement is being sold increasingly at cheaper prices to the Persian Gulf destinations.

Sheet Glass

Since the turn of 1959, sheet glass production has been making a steady hike thanks to the ever-brisker requirements at home and abroad. Compared with 9,100,000 cases in 1957 and 8,500,000 cases in 1958, the annual total at the rate of the July, 1959, output was estimated at 11,000,000 cases, or up 52% and 46%. The upcurve in September declined temporarily to 18% due to the Ise Bay Typhoon damages, but the rising trend has undergone no basic change.

Overseas shipments, too, have been increasing in the past years. The 1959 total is most likely to top the scheduled goal of 1,500,000 cases and even to amount to 1,850,000 cases, or twice as much as 1955's 930,000 cases. As priority has been placed upon domestic needs, makers have managed to satisfy 60-70% of the total overseas inquiries. In fact, they appear to be little interested in cheap sales to such destinations as the United States as well as the Middle East and the Naer East countries. In all probability, they will carry out the third price upping in the near future.

Responsible for such brisk trade is, for the most part, the worldwide boom of equipment investments, the pickup of building activity in particular, resulting from the general business recovery. The protracted strike at the Pittsburg Glass works and the subsequent contraction of production in the United States can be regarded as another factor of importance.

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For all this, sheet glass makers now are confronted with the following ticklish problems:

1) Though thus far substantially dependent upon the home market, it is essential for them to find out long-standing stable outlets abroad.

2) Prices of key materials, such as natural silica, soda ash and coal are higher in Japan than in Belgium, the United Kingdom and West Germany. Soda ash, entirely imported from abroad, is nearly twice dearer than in the rival countries.

3) To cope with such high material costs, experts urge, Japanese sheet glass interests must needs strive for conversion to special glass.

4) Communist China, Czechoslovakia, Belgium and West Germany, vying with one another, are also trying hard to sell their products in Southeast Asia, the Middle East and the Near East, where Japanese interests have built up their markets somehow or other.

Plywood

As demand has been growing continuously at home and abroad, the plywood industry has been in the whirlpool of brisk business. Reasons are: 1) Encouraging effects of the successful autonomous control of production, exports, etc. by the adjustment associations set up in 1956 under the Minor Enterprise Stabilization Law, 2) technical renovation and quality improvement, and 3) reduction of prices. Insofar as export trade is concerned, the last named is by far the most decisive factor particularly because wood cost is steeply zooming up in the United States, or the best client for Japanese plywood.

In 1958, plywood output climbed up by nearly 60%, and exports by 50% from a year ago. In 1959, January-September sales continued rising and reached 80,520,000 sq. m., or up 38% from the like period of 1958. Such a marked gain came mostly from the building boom since the latter half of 1958 in the United States.

With August, 1958, as the bottom, lumber and plywood prices have been curving upward due to the forest conditions in the Philippines and other countries. In October, 1959, the lumber price stood at ¥3,000 per *koku*, or up 30% from the bottom of ¥2,300. Accordingly, the 3×6 size plywood quotation advanced to ¥300 from ¥220 per *tsubo*.

In September, 1959, the plywood prosperity appeared to have touched the peak. In the United States, building activity got top-heavy due to the stricter financial control, and plywood quotations slightly turned down.

In this country, the unexpectedly big typhoon swept the center of plywood business, or the Nagoya district, causing serious damages to the industry. According to a survey by a plywood makers association in Aichi prefecture, one month after the typhoon, or as of October 30, 20

out of the 26 member plants had resumed operations, but due to the drifting of wood from pools material lumber was so short that some plants could hardly operate at full capacity. Thus, September output suffered a 40% decrease, and plywood prices rose by about 10%.

In order to cope with the price fall of door size plywood in the United States, the plywood makers association decided to cut off by 50% October-December shipments. In fact, makers have been engrossed in reconstruction to the extent that they can hardly exert efforts for expansion of export trade.

The most serious problem now ahead of the industry is how to secure the supply of material wood, mostly lauan. The biggest source of lumber supply has so far been the Philippines. As export surplus there appears to have reached its limit, it is essential for Japan to take the following counter-measures :

1) To put lumber on the AA list so that a proper amount may be purchased at a right time.

2) To find out new sources of lumber supply. A good deal is being expected of two new sources, British North Borneo and the southern part (*Karimantan*) of Indonesian Borneo. As for the latter, interested circles are thinking of undertaking a joint development project in cooperation with Indonesia. But the volume of lumber available and other conditions are little known to us, so a lot of efforts will have to be made for investigation and research before any practical program is worked out.

Chinaware

January-June, 1959, exports of pottery and porcelain registered an increase of 17% from a year ago, and shipments have since been getting brisker than ever due to the increasing pre-Christmas shipments. At this rate, the yearly total in fiscal 1959 certainly will eclipse the scheduled goal of $73 million, even excluding sales of chinaware in stock to Indonesia. This will turn out the biggest record since the war's termination.

Thus, makers have been enjoying prosperity though they found it hardly possible to make both ends meet in 1958. It is noteworthy that tiles have registered a surprisingly big gain in shipments to the United States, which usually purchase about 50% of the total exports from Japan. Trade has been active also for dinner set novelties and general tableware, probably because inventories in the United States have been shrinking due to the dullness of 1958 purchases.

Not only that export prices have been climbing upward. For instance, the prices of dinner set novelties, for which the minimum price system has been enforced since June, 1959, have been 10% or so higher than a year ago. These novelties are made mostly at Seto, Tokoname, Nagoya and Yokkaichi.

It is to be noted that the chinaware industry in September, 1959, suffered serious damages from the Ise Bay Typhoon as in the case of plywood business. The total damages to chinaware plants, equipment, products and materials are estimated at $18 million. Moreover, chinaware trade was temporarily plunged into utter confusion as pre-Christmas shipments used to get brisk just in September. But the bottleneck has smoothly been overcome by the following counter-measures : i.e. One half of the goods damaged at ports of shipment have been re-packed and shipped abroad, 2) at Nagoya Port priority has been placed upon shipments of Christmas supplies, and 3) urgent shipments, if necessary, have been made even from Shimizu, Yokohama and Kobe, disregarding costs.

After all, these are nothing other than emergency steps, and more fundamental counter-measures (fiancial aid, etc.) must needs be put into practice in 1960 for complete rehabilitation of minor chainaware plants concentrated in the Nagoya district.

Insofar as export trade is concerned, the following issues have to be tackled sooner or later :

1. It will become necessary to enforce more strictly than ever the check price system, on the one hand, and, on the other, to adjust the volume of shipments to the United States, or the best market, where the balance of payments position is attracting wider attention.

2. With the conclusion of an installment payment agreement with Indonesia, makers and traders must form a unitary export organ for smooth adjustment of sales to that country.

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3. How to cope with the stagnancy of porcelain insulator exports to India is another matter of not less importance.

Sewing Machines

In 1959, sewing machine exports briskly picked up and recovered from the depression a year ago. January-October shipments totalled 1,600,000 units, valued at $43 million, compared with 1,390,000 units, valued at $34 million. The rate of increase was 15% in quantity and 25% in value. All this came from active sales to the United States (which accounted for more than one half of Japan's total shipments), Canada and other advanced countries.

Exports were rather dull, on the other hand, to South Africa, Hongkong and other under-developed countries in Asia and Africa. Reasons were: 1) These countries were still suffering from the everworsening balance-of-payments position, 2) successfal efforts were made toward domestic manufacture of sewing machines in some under-developed countries, and 3) India and Red China started selling abroad their own makes.

Another important change was the remarkable increase of zigzag sewing machine exports contrasted to the stagnant sales of ordinary *straight line* sewing machines. Around 1954, zigzag type machines comprised only 2% of the total, but the percentage curved up year after year and reached about one half in 1959. This accounts for the afore-mentioned greater rate of increase in value, for the export prices of zizang sewing machines have been about twice as high as those of ordinary type machines.

In Japan, some 80% of the total production is annually shipped abroad, but export sewing machines are manufactured mainly by minor makers each with not more than 20 workers, while on the other hand leading interests, operating on a relatively large scale, specialize in sewing machines for domestic use. As the result, export prices have been tapering off due to the unnecessary rivalry among makers and the beating-down by foreign buyers, all to the detriment of interested circles.

In order to prevent such cheap selling, an export association has been controlling the export prices of ordinary type machines since 1958. As for the United States or by far the biggest market, the quantity of shipments has been restricted autonomously. These restrictive measures, however, have failed to attain any visible result because a large number of makers are operating in this line.

In the case of zigzag sewing machines, no export adjustment has so far been introduced. In view of the recent boost of overseas sales and the subsequent price fall, the Ministry of International Trade & Industry has come to advice interested circles to put some control or other on the volume of their export business.

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Views & Topics

Japanese Labor in 1959

By Iwao Ayusawa

1959—a Year of Resurgence

"THE miracle of Germany", we know, is the expression used in Europe to denote the phenomenal economic and industrial recovery of Germany in the postwar period. The United Nations statistical reports indicate in index and other figures how rapidly Germany, the country which suffered defeat in the last war, recovered out of proportion to the countries which had nominally won the war. The recovery is particularly noticeable in industrial and mining production and in exports.

Incidentally, the same is true of another country which was also defeated in the same war, namely Japan. Indeed, last January, in reviewing the situation of Japan's industry and labor in 1958,[1] we did say that 1958 was a year of "recession," but this was a transient and not a lasting feature of the postwar economy of Japan. The year's increase of industrial and mining production over the previous year amounted to 28.8% in 1951. This was of course abnormal, since that was the effect of the outbreak of the Korean war, turning Japan into "the arsenal of U.S.A." as some yellow journals abroad put it. The boom resulting from the Korean war cannot be considered as either sound or normal. If so, we may leave out of account the industrial expansion in the years of the Korean war. We find then, that the highest rate of industrial expansion in the postwar Japan was 23.9% in 1956. Now we are finding, as in this writing[2], with the published official estimates of the Government, that the rate of industrial expansion in 1959 over the previous year will be beyond 26%[3]. Moreover, not only in industry and mining, but in agriculture as well, production increase has advanced apace. Bumper crops in rice has continued for some years in succession and economists are venturing to prophesy that within four or five years, Japan may reach a stage where no more rice need be imported.

Will not such expansion in industrial production lead to over-production? If not, will it not induce rise in prices owing to insufficiency of equipments? Further, will it not give rise to or stimulate unbalanced investments for equipments? These are legitimate questions, but careful analyses of the exports and imports and of the balance of international accounts of this country would seem to warrant the view that Japan's economic growth on the whole is a steady one.

Agony of the Mining Workers

"The steady economic growth" of Japan in the postwar period, however, is not unaccompanied by problems. Some of those problems are baffling, the most acute one being experienced in coal mining industry. If we were asked to single out one major question confronting Japan's economy and labor in 1959, unhesitatingly, we would have to name the difficulty of the coal mines, or the agonies of our mining workers.

There are multiple phases to this question. In one word, however, we might say that it is the effect of the "energy-revolution" which is affecting the world's industries and from which Japan is far from immune. Japan's industries are depending more and more for energy on other kinds of fuel than coal. Use of coal is proving to be less efficient and less economical than the use of other energy-sources. Rationalization of coal mining industry is the "categorical imperative" for Japan's economy. Experts in the field are suggesting that about 20% of the personnel engaged in coal mining should be disposed of—which means in practice that 60,000 coal mine workers out of the total of 300,000 should now be discharged.[4] The same experts are recommending that the per capita productivity of the coal mines should be raised from the present 16–17 tons to 25–26 tons per day—which would inevitably entail expenditures for new and improved equipments.

Such a situation would have given rise to a puzzling controversy and dispute between the employers and workers in any country. The problem in Japan came to assume serious dimensions specially because of the commanding positions occupied by the employers on the one hand and the mining workers' union on the other. The employer involved in the dispute is the famous Mitsui (Coal) Mining Co., one of the giants in the field with 48,000 employees while the union of the mining workers involved in the conflict belongs to *Tanro*, the Coal Miners' Union, which is one of the leading federations under *Sohyo* with a total membership of 200,000. The Company hitherto had assumed a conciliatory attitude towards its employees, meeting their demands as far as possible. It took cautious attitude in approaching the workers with a proposal to recruit 4,580 workers who would volunteer to retire. The negotiation began during August. The Federation of the Mitsui Mining Labor Unions stoutly rejected the proposal, announcing to its members the union's decision to expel from the membership any worker applying for retirement in response to the appeal of the Company.

In the dispute that ensued, the Federation staged a 24-hour strike in October to start with, followed by a series of scheduled work-stoppages, and demonstrations including the teams to blot out the bulletin-board announcements calling for volunteers to retire, with various inducements. As the measure launched by the Mitsui Mining Company did arise from the necessity for rationalization, other mining companies followed suit. A company attempted to inject workers into the mines by breaking the picket lines and it resulted in a scuffle which produced injuries. The Central Labor Relations Board under the chairmanship of Dr. Nakayama entered the scene with an attempt to mediate, but his cautious and tactful endeavors proved ineffective for months.

If the mediation of the Central Labor Relations Board proved abortive, that should not be attributed to any lack of tact on the part of the mediation board or any deficiencies in the techniques of mediation. The roots of the dispute lie far deeper, in the character of the organized

1. *The Oriental Economist*, January 1959, p.3
2. December 8, 1959
3. *Toyo Keizai Shinpo*, December 5, 1959, p.4. This estimate figure is more optimistic than the ones previously given by the government, which had 15% for industrial and mining production and 8% economic expansion.
4. Further, it is suggested that 33.3% of the personnel should be disposed of by 1963.

unions and the set-up of Japan's industries in the present stage of her economic growth. The company wanted not only to reduce the *quantity* of work force but to sift the *quality* of its personnel in the process of rationalization. On the other hand, the Coal Miners' Union at its extraordinary convention declared that not only was Japan's coal industry in no peril, but that there was no need for any rationalization involving personnel curtailments. As of today, neither party has shown any sign to give in, in the stalemate in which they find themselves, the only hopeful thing in the dismal scene being the prospect of the passage of a bill providing for special relief and assistance to be given to the coal mine workers who were discharged to meet the emergency situation. It is expected that the Liberal Democratic, Socialist and the new Democratic Socialist parties will all support the bill for its passage.

Questions of Workers' Right of Unionization

On account of a peculiar situation in which the Japanese government finds itself, the questions relating to the workers' right of unionization remained unsolved through the year, putting as was expected, the government in an embarrassing position at the meetings of the Governing Body of ILO.

What is "The peculiar situation" of the Japanese government? What was "the embarrassing position" in which the Japanese government was put at ILO? The situation was explained in part in our review of Japan's labor last January.[1] Briefly speaking: The workers in Japan, under Article 28 of the Constitution, have the rights of organization, of collective bargaining and of "collective action" which is understood to imply the right to strike. By virtue of a special law which originated from the policy of SCAP in the period of the allied occupation of Japan, the workers employed in "public corporations" which cover the government enterprises, are deprived of the right to strike. Under the provisions of the said law,[2] the workers employed in tele-communication work which is the work of the tele-communications public corporation are deprived of the right to strike. Moreover, in virtue of a special provision in the same law,[3] it is only the workers employed in the public corporation concerned who can be members or officers of a union in that particular public corporation. Now, in spite of the limitations just mentioned, three top officers of the All-Communication Workers Union violated the law and took a leading part in an illegal strike of the communication workers and for that reason, they were discharged. Legally, because of the specific provisions in the law, the three discharged men could not be re-elected as officers of the union. In disregard of the law, however, the union went ahead to re-elect the three men as officers of the union at the election held after dismissal by the corporation.

On the ground that the re-election of these men was "illegal", the government refused to recognize the union and to enter into collective bargaining with the union while the union claimed the right of collective bargaining, asserting that the law depriving the workers of their right to bargain collectively was invalid, being un-constitutional. It was this controversy between the government and the union which hindered any step of the government toward the ratification of the ILO convention No. 87, because, when the convention is ratified, the government, under the provision of the said convention, would have to alter the existing law and recognize the workers' right to enter into collective bargaining by the representatives of their own choosing, regardless of whether they are, or are not, the employees of the public corporation concerned. The government was reluctant to amend the existing law. At least the government would not consent to amend the law and ratify the convention under the pressure of the union which had violated the law, in electing the discharged workers as their representatives for the purpose of collective bargaining.

Mr. Kuraishi, the Labor Minister in the Kishi Cabinet who had taken the firm negative attitude on the question of ratification of the ILO convention, retired from the ministerial post in June 1959, and became the chairman of the government's commission of inquiry on labor problems. Mr. Kuraishi took the trouble to fly to Geneva in order to explain to the delegates of the world assembled at the ILO conference the reason why Japan could not ratify the ILO convention. But apparently Mr. Kuraishi's explanation was not sufficiently convincing to change the opinion of the delegates at the conference. Incidentally, there was in Geneva in those days the possibility of having Mr. I. Kawasaki, representative of the Japanese government at Geneva, elected to the honored and responsible post as the chairman of the Governing Body of ILO. However, in view of the controversy at ILO as to whether the Japanese government was doing the right thing about the workers' rights of unionization, the wisdom of putting forward Mr. Kawasaki's candidacy was questioned. The Japanese government reluctantly decided to withdraw the candidacy of its able representative.

As it is, the question of ratification of the ILO convention No. 87 remains unsolved. The advisory body of the government on labor problems submitted to the Cabinet at an early stage on January 18, 1959, its opinion that Japan should ratify the convention in question. As long as it is not ratified, rightly or wrongly the criticisms from outside bodies such as ICFTU and the workers' group at ILO conference will continue. That will be detrimental, if anything, to Japan.

Japan's Security and the Split Attitudes of Workers

Another question of a tremendous magnitude, overshadowing almost all the rest is around the government's determined efforts to revise the existing Mutual Security Treaty between Japan and U.S.A. It is this question which again split the socialists into two hostile camps and threatens to plunge the whole workers' movements into a chaotic state. The reasons for such a plight need to be explained briefly.

It may be recalled that the Peace Treaty of San Francisco signed in 1951 between Japan and some 49 nations headed by U.S.A. gave to Japan a status of independence, but that it was accompanied by a Mutual Security Treaty between Japan and U.S.A. which was in the nature of a military alliance between the two countries, having U.S.S.R. as a potential or hypothetical enemy. U.S.S.R., naturally did not wish to enter the peace structure of San Francisco. The majority of the organized workers and socialists in Japan opposed the Security Treaty, contending that it was a military alliance which could not be signed by Japan without violating the Peace Constitution of Japan. It was

1. *The Oriental Economist*, January 1959, p.32
2. Article 17, Public Corporations Labor Relations Law
3. Article 4-3, Public Corporations Labor Relations Law

after this that the so-called "Four Peace Principles" were adopted by the majority of socialists and trade unions advocating: 1. Overall peace including both U.S.A. and U.S.S.R., 2. Absolute neutrality, 3. No military bases in Japan and 4. No rearmament of Japan.

On the issue of how far to support the peace set-up of San Francisco, the socialists and organized workers were split into two factions and it was only three years ago that the two factions of the socialists were re-united under a unified program which was a compromise of the opposite views of the two factions. However, the re-united socialist party was on a precarious ground, destined to split again. The second split came in October 1959 as the result of a casual remark made by Mr. Suehiro Nishio, a veteran labor leader who had held the important post as the Deputy Prime Minister under Ashida during 1948. Nishio only casually criticized the naivete of the majority socialist leaders who were opposing the government's efforts to amend the existing Security Treaty. This aroused the anger of the socialists who took the measure to subject Nishio to the "party discipline", and eventually to expel him from membership in the Socialist Party. This led to the formation of a new, rival socialist party under Nishio (Shakai Club) which Suzuki the leader of socialists rediculed as "the Third Conservative Party" in Japan.[1]

What does the proposed revision of the Security Treaty consist in? Four or five principal points of it may be mentioned in answer to this question. (1) Under the existing treaty, Japan offers the land and other facilities for stationing U.S. troops. U.S. stations her troops in Japan but without an explicitly defined duty to defend Japan by using the troops. The proposed revision will make that duty explicit and place Japan on a basis of equality with U.S. (2) The existing treaty provides for the use of U.S. troops to suppress civil war in Japan. The revision will remove this invidious clause. (3) The existing treaty is liable to be misunderstood as an infringement of Japan's constitution on the one hand and of the Vandenburg resolution[1] on the other. The revision will take care of this defection and will supposedly remedy it. (4) The existing treaty has no fixed term of validity. The revision will fix the term of validity at *ten years*.

Apparently, none of the proposed revisions is satisfactory to the majority of socialists or of organized workers led by *Sohyo*. As the Liberal Democratic Party is maintaining the necessary majority in both chambers of the Diet, it is likely that the proposed revision will pass through the Diet, but whether the government succeeds in maintaining peace and order in the country in forcing these revisions is a portentous question yet to be decided during the coming years.

One thing which one must not overlook in the split, again, of the socialist party is that the casual remark made by Nishio was not the cause of the schism. It simply supplied the occasion for the split. The cause lies deep in the ideological difference between the two factions and the split was bound to affect the unity of the much-sought-for united front of the workers' movement, involving *Sohyo* and *Zenro*.

It may be recalled that after his visit to Japan in June 1959. Mr. Charles H. Millard of ICFTU left behind as his parting-present the so-colled "Millard Statement" which was a bold suggestion for *Sohyo* and *Zenro* to line up in a united front.[2] *Sohyo* took up the suggestion but it was *Zenro* which demonstrated real interest or zeal even in the implementation of the suggestion. However, during August 1959, the same *Zenro* which had acquired a strength of 1.05 million members announced its withdrawal from the projected line-up. *Zenro*, from its inception, has been following a realistic attitude on major political issues which is different from that of *Sohyo* which might be called idealistic or ideological. Critics who are following the developments closely see a close kinship in the thinking on political questions between the Nishio faction of the socialist party and *Zenro*. It is increasingly clear that *Sohyo* will give a strong support to the "main-line" Socialist party in its fight against the Security Treaty Revision while *Zenro* will tend to maintain a neutral position or at least a less violent or hostile position than *Sohyo* on the Security Treaty issue and give its support to the new socialist party under Nishio.

Progress in Unionization and in Wage Legislation

During the past year or so, unionization work among the workers in the medium sized and small industries of less than 200 permanent employees has progressed steadily

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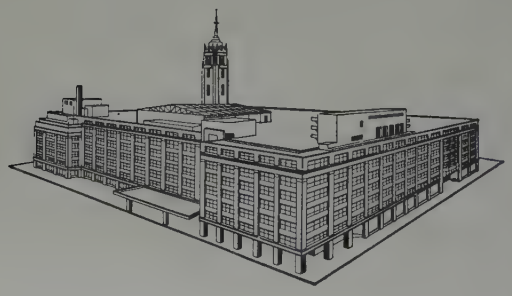
1. Under the Vandenburg resolution, U.S. must not enter a treaty with any country which cannot provide a continuous and effective self-help and mutual assistance.
2. *Oriental Economist*, January 1958, p. 32.

owing to the serious efforts of both *Sohyo* and *Zenro*. It will be recalled that *Sohyo* or the General Council of Trade Unions with a combined total membership of 3,549,000 is the most powerful national center of trade unions of Japan. *Zenro* or the National Congress of Trade Unions with a total membership of just over a million is the next strongest. Both *Sohyo* and *Zenro* are directing their efforts to organization in the small enterprises. The importance of this new emphasis on small enterprises may be understood more readily when a few statistical figures are cited.

Out of a total of 20,131 unions in Japan in 1958 with the combined total membership of 6.8 million, 15,865 unions were the unions in small or medium sized mills of not more than 200 workers, with a total membership of 900,000. This means roughly that 80% of the unions are in the small or medium sized enterprises whereas their total membership amounts to only 12% of the entire organized workers in the country. While more than 300 new unions are formed every year, 90% are the unions of workers in the mills employing less than 200 workers. Statistics show that at those smaller mills, usually, working hours are apt to be long; there the wages are 70% or often less than those at the bigger mills, Paternalism prevails in the smaller undertakings—which is not a bad thing in itself, but insanitary conditions of work are found invariably in the small enterprises.

A matter for congratulation in this situation is the passage of the Minimum Wage Bill through the Diet on April 7, 1959. The bill had failed twice before.

SEASONAL GREETINGS
FROM THE ORIENT'S
LEADING STORE



NIHONBASHI, TOKYO
MITSUKOSHI
DEPARTMENT STORE

The present legislation is the product indeed of many years of painstaking research and deliberation. The law provides for four channels through which minimum wages may be fixed: 1. Intra-industrial agreements; 2. Minimum wage by locality based upon intra-industrial agreements; 3. Minimum wage based upon management-labor agreements and 4. Minimum wave based upon decision of the Minimum Wage Council. The Socialist Party and organized workers were insisting in the early stage on having a uniformly fixed minimum wage figure. Later they turned round and objected to the first two of the above four channels, on the ground that they might be unduly dominated by the management's interests. The reply to this criticism is that any of the above channels is subject to the control of the Wage Council which is a tripartite body, comprising the representatives of management, labor and the public. The tripartite system, it is hoped, will provide the necessary mutual check and ensure a fair decision in the end.

Finally we wish to conclude this brief review of Japan's labor in 1959 by a short reference to the deliberations of GATT which met in Tokyo during October 26-November 20, 1959.

Japan had looked forward to this international convention as an opportunity to press for lesser resorts by the nations hereafter to the "escape clause" (Article 35) of the GATT agreement in order to minimize the discrimination against Japanese goods which is a hardship for this nation. As a matter of fact, however, this hope was smashed early in the conference because the attention of the delegates was turned to the importance of a freer international trade and more criticisms against the so-called "unfair competition of the low-wage countries". Consequently, as a country exercising bureaucratic control over import and export, Japan was placed not in the offensive, but rather in the defensive position—which was a situation Japan had least anticipated.

There was nothing to deplore about in this. What was regrettable really was the facile and too naive an assumption, which was unchallenged, that lower wage *per se* constituted an "unfair competition". This would mean that the countries of western Europe where the prevailing wages amount to about a third of the wages in the United States are waging "unfair competition" against U.S.A. and no fair competition is possible until the wages of all nations reach a same level.

Our mention of this obvious absurdity does not mean that the wages paid in Japan are presumed as either adequate or fair to Japanese workers. What we do wish to stress here is the need for fairer bases of international comparison than are inadvertently used in our current discussion. For, what would be the use of mere quantitative comparisons of consumption of food or of commodities, or facilities which were not conducive to health, welfare or a higher standard of morals? In any case, we are grateful for the opportunity which the people of Japan, including both employers and workers, had of watching the work of GATT at its full swing. For we in Japan still need to learn much from international contacts.

(The writer is professor of International Christian University, Tokyo).

Kaleidoscope

1959 Headliners:—The development of the so-called quantitative boom topped the list of "10 Biggest Domestic News of 1959" selected by the editorial board of the Oriental Economist and Toyo Keizai Shimpo, its Japanese counterpart (as of late November). The visit by the Russian Premier Khrushchev garnered most votes in the world's top billing. The "10 Top-notch Home Headliners" follow:

1) Developments of "Quantitative Boom" (End of January)
2) Ise Bay Typhoon disasters suffered by the central part of Japan with the City of Nagoya as its pivot. (September 26)
3) Reprimand of Mr. Suehiro Nishio, right-wing socialist leader, by the Socialist Party with the resultant formation of a separate party by the Nishio faction. (October 25)
4) Serious recession in coal mines and the start of personnel lay-offs as a part of rationalization move. (From September on)
5) Problems of Japan-U.S. Security Pact Revision and the South Vietnam Reparations. (From October on)
6) The almost continuous bullish tone of the Tokyo Securities Exchange with the Dow-Jones average creeping in on the ¥1,000 mark. (all through the year)
7) Visits to the Red China by two of the Liberal-Democratic big wigs—on September 7 by former premier Tanzan Ishibashi and on October 19 by Kenzo Matsumura.
8) Establishment of the reserve deposit system by the Bank of Japan Policy Board. (September 11)
9) Conspicuous defeat of the left-wing parties both in gubernatorial (on April 23) & Upper House elections (on June 2).
10) Realization of the repatriation of the Korean residents in Japan. (February 13)

On the international level, the 10 Biggest News of 1959 proved to be:

1) The visit to the U.S. by the Russian Premier Khrushchev with the resultant relaxation of the East-West tensions. (September 15)
2) Successful shooting of space rocket (January 2), moon rocket (September 12) and space station (October 4) by the Russian scientists.
3) World-wide recovery in business with extremely active New York Stock Exchange. (All through the year)
4) Third consecutive victory for the Tories in the British elections. (October 8)
5) Greatest strike in the U.S. steel industry with the resultant invocation of the Taft-Hartley Act. (October 9)
6) 15th Meet of GATT in Tokyo with the movement for the liberalization of international trade highlighted. (October 26)
7) Resolution to establish a second world bank at the General Meeting of the World Bank. (October 1)
8) Actual operation of the European Economic Community (January 1) and the tentative signing of the "smaller trade area agreements." (November 20)
9) The U.S. reexamination of its economy because of the worsening international balance. (November 20)
10) Hiking of the interest rate to the highest mark (4%0) in U.S. history. (September 11)

Survey of Corporate Results:—The corporate results for the first half (Apr.-Sept.) of the fiscal 1959 proved to be even better than the fabulous *Jimmu* prosperity of 1957. This is the tentative report published on November 3 by the Finance Ministry, which carried out a general survey of 192 represetative companies. Conspicuous highlights of the reports are: 1) that the net profits have grown by as much as 32.2% over the previous term; and 2) that the enterprises have growingly shown the tendency of relying more and more heavily on the external debts for operational funds with the own capital ratio in the total capital standing at a lowly 30.6%—almost half the amount before the war and a 10% drop from the amount in the second half of 1954, when the ratio stood at 40%.

Japan's Shipbuilding Achievements:—Japan has been leading the world in the total shipbuilding achievements since 1956. Although it is by no means in the sunny side of the street at the moment, Japan's shipbuilding industry proved to be the top runner again in the total tonnage launched in the first nine months of 1959, the Llyod's Register reports. The total of 1,292,000 gross tons—379 in terms of units—is 369,000 gross tons greater than the achievements of runner-up Great Britain. The cardinal reason why Japan still remains the world's top-dog as far as the shipbuilding achievements are concerned in spite of the recent serious depression in the shipbuilding industry as a whole is the fact that the Japanese shipbuilders received orders from overseas countries during the "export ship" boom some three years ago. However, the gloomy fact still remains that the percentages held by Japan in the total world shipbuilding achievements are showing the sign of gradually falling down from the heights of 26.2% and 28.7% respectively in 1956 and 1957 to 22.3% in 1958. The percentage is feared to go down further with the order backlog in the Japanese shipbuilders being not in the same league now as with those in a couple of years ago.

"No Foreign Exchange" Importation of Foreign Cars: The Ministry of International Trade & Industry started to accept applications on November 13 for the importation of foreign cars without any foreign exchange allocations—the practice revived after 33 long months. During the period of ban, foreign cars without foreign exchange allocations, were allowed only as a part of personal effects of the people coming into Japan. The importation is limited to those who work for Japan branches of foreign firms. Although the MITI authorities explains its new move as a part of the liberalization movement of the foreign trade, Japan's automobile industry is viewing the MITI move as a first step toward the relaxation of regulations on foreign car importation.

Final Estimate of 1959 Rice Crop: Ministry of Agriculture & Forestry published on November 5 its final estimate of the 1959 rice crop (figures as of October 15). According to the estimate, the dream of 1959 becoming the "best crop year" in Japan's history blew up in smoke because of the severe punishing blows dealt by the Typhoon Nos. 14 and 15. The crop is now estimated to stand at about 12,362,000 tons—some 311,000 tons less than the previous estimate calculated as of September 15. This does not mean, however, that the year of 1959 is going to a flop as far as the rice crop is concerned. On the contrary, the figure is second only to the fabulous crop year of 1955 and 8% greater (885,000 tons) than the average in the past seven crop years.

Bank Loans in 1st Half:—Bank of Japan has recently published a survey of the loans of all banks for the first half (Apr.-Sept.) of the current fiscal year. According to this report, the total outstanding loans except overdraft grew by ¥436,-300 million (of which ¥87,200 million is equipment investments) over the previous term—a 14% growth in terms of percentage. Compared with the loans movements in the first half of the fiscal 1956, however, the 1959 movements are by no means spectacular, as is shown in the following figures. 1) The increase rate during the first half of the fiscal 1959 stands at a slight 7%—virtually half of the 1956 achievement; 2) The loans increase in city banks stands a gross 22% below the 1956 figure; and 3) the increase in loans to smaller industries also stands at the 14% below the 1956 level. Only conspicuous point in the current loans movement is the 37% growth in loans for the purposes of equipments investments.

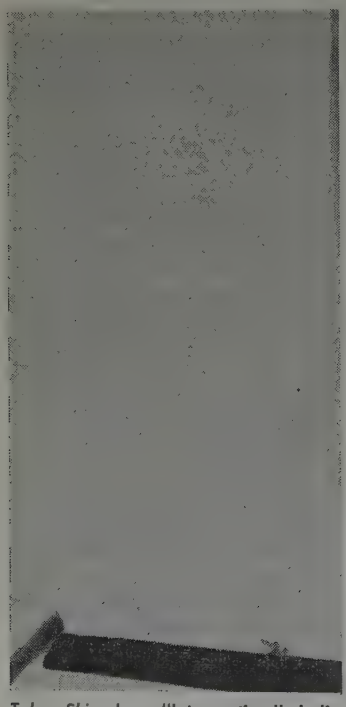
Glimpses of Japanese Culture

The Collecting of Japanese Art

By Meredith Weatherby

UNLESS one has unlimited means, the collecting of Japanese art often proves to be a costly series of changing tastes. You look at what you bought with such love and enthusiasm five years ago and ask yourself: "Whatever could have possessed me to want *that*?" My own attic storeroom now, after almost twenty years, is packed full of such objects and provides, I believe, an instructive record of the direction an amateur art-lover's taste in Japanese art is likely to follow.

The most obvious extremes in Japanese art are well represented by two of Japan's most famous architectural monuments—the shrine buildings at Nikko and the Grand Shrine of Ise. Nikko, the gaudy, the exotic, becomes a grand-scale symbol for all the elaborately painted and magnificently decorative golden screens, the gorgeous bridal kimono, the monumentally conceived Kano paintings, and the intricately carved Buddhist sculptures that, by their very stridency and "foreignness" are apt to appeal first to a Western visitor. Because here one finds the most obvious, the most readily understood examples of Japan's great genius in the field of decorative art.



Toko Shinoda: "Interruption." India ink plus color wash on paper. 2′11″ ×6′. The small figure at the lower right, resting on the black band, is emerald green. A faint grey stroke of ink runs along the entire right edge.

At the other extreme lies Ise, the severely unadorned, the understated, the spiritual. Once you've fallen under Ise's subtle spell, you start wishing you could find—and finding, afford—an original Sesshu, and you content yourself with buying the works of his lesser followers in this realm of the sparse landscape done in a few swift brush-strokes of black ink on white paper. You turn from gorgeous Kutani procelain to the unadorned and crudely made bowls of the tea ceremony. In sculpture you go back further in time to the protohistoric Haniwa figures, or still further to the Jomon figurines. You treasure the aging paper, the splits in the brocade, the delicately mended cracks. You begin talking knowingly of Zen. Perhaps you even take a few lessons in calligraphy or tea ceremony or some three-blades-of-pampas-grass school of flower arrangement. You think you've touched the real spirit of Japanese art, and maybe you even toy with the idea of writing a book, whereas actually you're only dimly becoming aware that behind its decorative quality Japanese art does have a unique spiritual quality.

If you're lucky, if you're wise, you don't write that book, because the grand statements you'd be sure to make, the Lafcadio Hearn pedestal on which you'd place yourself, would always be there to shame you as you enter your next stage—that of realizing you know practically nothing. And here you've completed one of several small circles you're destined to make in your art-collecting journey. You started out with the idea of the "inscrutable Orient," saying "the East is East and the West is West," and now you've returned practically to the same point, saying: "Well, I thought I could understand, but now I know I never can."

This is a rather traumatic moment in your collecting. I've seen some persons stop entirely at this point—sell or store everything they have bought and turn frankly to the more physical pleasures that Japan also offers in abundance. Others have turned with equal enthusiasm to Japan's excellent, and more easily understood, folk crafts. In my own case, the folk-craft stage had been reached fairly early and been pursued simultaneously with the "spiritual" stage. So when, in my own great surrender to hopelessness, my own confession of ignorance, I opened my eyes, I found myself doubly surrounded by the art and artifacts of an irretrievable past, my house a cross between a Kyoto junk shop and an antiquarian's delight. And in my reaction I turned to the so-called "international" art which Japan, along with all other modern-oriented countries, has been producing in such vast quantities practically ever since she was first opened to the West. Here, I told myself, is something I know I *can* understand.

Toko Shinoda: "Appearance of the Heart." India ink on paper. 1′5″×2′11″.

Japan's "international" art fills the galleries of its many art shows and makes an impressive display. It can out-Picasso Picasso, out-dream Dali, out-scream the most violent abstractionist. Its work is technically excellent, pyrotechnic even, and—one soon becomes aware—completely unsatisfying. Being an internationalist in my political thinking, I was sure I could subscribe wholeheartedly to the artistic creed which says artists should rise above all national cleavages to speak in a truly international language. And yet when I began listening closely to that speech, I found it as dull and artificial as Esperanto.

Toko Shinoda: "Composition Divided by Half." India ink on paper. 10″×4′10″.

At this point there seemed no place further to look for whatever it was I had been looking for in Japanese art. And then I gradually became aware that there is in Japan today a group of artists—pitifully small and, fortunately, unorganized—who are speaking in terms which are both unmistakably Japanese and unmistakably modern. Through them I have completed yet another circle and believe again I can begin to see the essence of that elusive thing, the Japanese spirit, existing in terms of the here and now, of today. And through them I have even been able to go back and find new meaning in the older Japanese art, to see it, as it were, with the eyes of the man to whom it once spoke in modern terms, a man, say, of the fifth century

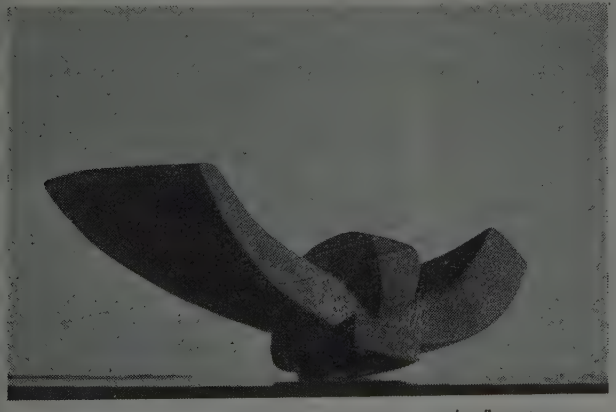
or of the seventeenth.

To illustrate my point I have chosen for reproduction here a few recent works by two artists who, I am convinced, are among the most important working in Japan today—Toko Shinoda, the abstract calligraphist, and Masayuki Nagare, the sculptor.

Masayuki Nagare: "Pinnacle." Granite. 1′4″ high.

Miss Shinoda, working in one of the oldest and most unique of Oriental idioms, that of calligraphy, has moved to one of the farthest outposts of abstraction. And yet her work could never be mistaken for anything but Japanese. See here the Japanese mastery of black brush-stroke against white paper, contrived in such a way that one is dealing more with white, composed emptiness than with painting itself. The Japanese have always been masters in this creation of space, nowhere better seen than in the unpainted expanse of "Interruption." In "Appearance of the Heart" appears the singing, lyrical line, as contrasted with the "muscled" line of "Composition Divided by Half"—two typically calligraphic techniques which, borrowed from China, the Japanese have made their own. What would the long line of master calligraphers who are Miss Shinoda's forebears make of these applications of their techniques? I cannot but believe that they would hail her entry into their ranks with pleasure, calling her both a great innovator and a great traditionalist, one of their own.

Nowhere is it more intellectually evident that Miss Shinoda is a pure abstractionist than when you ask her the title of



Masayuki Nagare: "Receiving." Granite. 1′10″ wide.

one of her pieces. She says: "I know the public wants titles, but I find it easier to paint a hundred pieces than to name one." While writing this article I telephoned to insist that she gave titles to the three pieces reproduced here. The silence at the other end of the line was so long that I finally suggested I should give them my own titles. Miss Shinoda agreed with an almost tangible sense of relief. The titles, then, are my own, but the works themselves remain always and gloriously Miss Shinoda's important and unique contribution to modern Japanese art.

Mr. Nagare, too, tends toward abstraction and yet remains inevitably Japanese. His love of stone is as evident as is Miss Shinoda's love of ink. (This love of and respect for one's medium, which in the West, I fear, is more typical of the craftsman, still remains a hallmark of the Japanese artist.) Only a person who had lived long with the soaring tiles found decorating the cornices of ancient Japanese buildings could have carved "Pinnacle." And only the descendant of hundreds of generations of true nature-lovers could have chosen to photograph it against a lonely beach and a turublent sea. (Nagare, incidentally, is also an intuitive photographer. Clearer photographs of "Pinnacle" could certainly be made, but none that would so perfectly express the quality of the original.) In "Receiving" one imagines many typically Japanese things—the minor miracle of knot-tying decoration found on traditional Japanese gifts; the soaring of a falcon in the sky of a Japanese autumn; the inexpressible quality of a deep Japanese bow, deferential and yet in no wise demeaning.

In the "House-shaped Jizo" one finds yet another aspect of Nagare's many-sided personality. Here we are not dealing with abstraction, but with a modern interpretation of one of the oldest and most ubiquitous of Japanese sculptural themes — Jizo, the patron deity of children, found at roadside shrines throughout the country. Nagare himself regards his Jizo sculptures somewhat as playthings, giving them to friends who have lost children. "I was a very bad boy as a child," he says, "and maybe this way I can make up for some of the trouble I caused my parents." Playthings they may be, but also are they fine sculptures by an artist whose closest counterpart in the Western world is to be found in the Renaissance artists: not only is he a great sculptor, but no less a garden designer, photographer, stage designer, sculptor of the written word, and friend. He happened to be stopping at my house when my two much-loved Siamese cats died. The gravestone he carved for me then shall always remain one of my prized possessions. Not only does it commemorate two beloved pets but even more is it a touching expression of friendship from a man who is as vibrantly alive as a human being as he is explosively creative as an artist.

Masayuki Nagare: "House-shaped Jizo." Volcanic stone. 1′6″ wide.

Shinoda and Nagare—these are but two names that could be mentioned in this great awakening I have had in my pursuit of Japanese art. And even if there were no more, the pursuit would have been well worth the twenty years of effort I have devoted to it. Others, I am convinced, will find it the same. If I had it all to do over again, I would start at both ends, the modern and the traditional, and probably arrive at much the same point. These great moderns have given me back, with new and bright and shining meaning, the entire heritage of Japanese art. It is a noble gift.

(The writer, a noted interpreter of Japanese culture, is currently editor-in-chief of Charles E. Tuttle Company.)

Foreign Trade

Export Prices Turning Upward

Exports in November, 1959, totalled $293 million, according to the Finance Ministry's customs survey. Though less $53 million from a month ago, the figure registered a tangible gain of nearly 27% over a year ago. Imports, on the other hand, added up to $290, or off $8 million from a month ago but up 30% from a year ago. Thus, the favorable balance came at $ 3 million.

In foreign trade statistics, outgoing shipments are calculated in FOB prices and incomings in CIF prices, so the trade balance usually runs into the red. In the latter half of 1959, however, the balance was in the black in July, October and November—the biggest factor responsible for the growing favorable balance of payments. And all this was ascribed, for the most part, to the substantial betterment of trade terms, i.e. the upcurve of export prices contrasted to the stabilization of import prices.

The Finance Ministry's export price index, which had been on the steady decline since the peak of March, 1957, touched the bottom in March, 1959, and it has since been climbing up continuously. It slipped off by about 11% from March, 1957, to March, 1959, but rose by nearly 3% in the March-September 1959 period. Though still lower than the previous high level, there can be no doubt that the price rise has been one of the factors for the recent boost of export trade.

Classified by commodity, export prices have been curving up for foodstuffs, metals, lumber, textile goods, etc.

The higher prices of textile goods in particular have brought about the biggest effects on the growth of export value. From March, 1957, to March, last year, textile export prices dropped by 13%, but advanced by 5% in the following seven months: especially steep was the upcurve for raw silk, rayon goods and spun rayon fabrics. It is to be noted that, in spite of the lower price of raw cotton, cotton goods, or one of the most important export items, registered a visible price rise. Such firmness of the textile export prices, however, came not so much from the pickup of overseas requirements as from the improvement of supply-demand relations at home.

As for foodstuffs, the rise of export prices has been caused by the higher prices of canned salmon (resulting from poor hauls in the United States and Canada) and of canned tuna (in this case, hauls were unexpectedly small in Japan). In the case of metals, export prices went down by 27% from March, 1957, to March, 1959, but went up by 2% from March to September, 1959. This was and steel quotations firmed up due to the mainly because iron steel strike in the United States and other factors.

The import price index, on the other hand, which slumped by 17% from the peak of May, 1957, to March, 1959, has been following a crab-like course (slightly off in September, 1959). Classified by commodity, the index fell off to the bottom in the fall of 1958 for metal ores, and animal and vegetable materials; but it recovered visibly in the spring of 1959 for textile materials. It has been declining for foodstuffs and mineral fuels.

As for mineral fuels, the price fall has resulted from the weaker freight market and the subsequent lower prices of crude oil. Freight comprises a relatively big portion of the crude oil import price and, moreover, import contracts usually are concluded on a long-term basis. It is natural, therefore, that the effects of the weaker freight market have come to the fore much later than in the case of other commodities.

The import prices of wheat, barley, etc. appear to have touched the bottom. But the prices of sugar, coffee beans, etc. have been sagging so that the foodstuff prices as a whole are still going down.

Well-informed circles, however, expect that import prices will gradually turn upward in the future. Some animal and vegetable materials, such as cowhides and crude rubber, have been recording notable increases, and the indices of international commodities curving upward. The shipping freight index (trampers), too, has been rising up. But it must be noted that the upward turn of various indices for international commodities (for instance, the Reuter's) is not necessarily reflected directly in the rising trend of import prices in this country, and that the higher freight index is often caused by seasonal factors. In consideration of these circumstances, Economic Planning Agency authorities don't fear that the advance of import prices, if any, will be an extremely sharp one.

Revision of Trade Law Envisaged

Ministry of Finance and Ministry of International Trade & Industry authorities, which had been studying extensively how to revise the present Foreign Exchange and Foreign Trade Control Law, finally worked out an outline of the possible revision late in November, 1959. In fact, this basic legislation for all the foreign exchange and trade control regulations and formalities has turned out quite incompatible with the current economic conditions at home and abroad as it was promulgated soon after the war's end or in 1949.

In retrospect, when this law was put into force, private trade was just going to be re-opened, and Japanese traders had little information about overseas markets, so they were simply engaged in what was called "blind trade" under Allied occupation. Moreover, Japan had almost no foreign fund for international transactions at that time, all aspects of her trade controlled by the Allied occupation forces. Enacted with these abnormalities in the background, the present law makes a point of prohibiting as a rule international transactions and granting permits on some conditions. Not only that, based upon its provisions, nearly 2,000 ministerial ordinances and notices have since been issued for official regulation of international trade, so that the present control system is too complicated even for experts to know every detail of its regulations and formalities.

Therefore, a clamor has long been getting louder for proper tinkering of the trade control system, particularly since 1958, for the Western currencies have recovered their convertibility, and one step after another have been taken for trade liberalization all over the world. If she wants to rise on the bus going in this direction, Japan must needs apply a sharp scalpel to the very basis of control or the Foreign Exchange and Foreign Trade Control Law.

In this light, the Government in December, 1958, set up a special committee for revision of this legislation. In the course of committee discussions, it is reported, the friction of opinion often occurred between the Ministry of Finance and the Ministry of International Trade & Industry. But as it was lubricated somehow or other, the basic principles for revision of the law were decided in November, 1959.

Principles of Revision Outlined

The basic principles of revision are summarized as follows:

1) Regulations and formalities shall be simplified in accordance with the worldwide tendency of trade liberalization

and in the guiding spirit of GATT and IMF.

2) International transactions shall be free as a rule. As the ultimate aim of the law is to maintain the balance of payments and to promote national economy, however, the Government shall be authorized to impose minimum necessary restrictions on foreign trade only in the following cases: i.e. a) if necessary in order to protect the balance of payments position, b) if necessary so as to maintain the order of international dealings, c) if necessary for observance of international conventions, and d) if necessary for coping with the discriminatory, regulatory and monopolistic measures which are likely to hinder free trade and to affect Japan's industry.

3) The foreign exchange budget system shall be replaced by "the international receipt and payment estimates, and the overseas payments program", designed to have a clear outlook for future accounts in both visible and invisible trade. In the overseas payments program, visible and invisible dealings are divided into two categories: namely, 1) transactions calling for foreign fund allocations, and 2) others. And any restriction through foreign fund allotments shall be put only on the former category of transactions. The Government shall not be under obligation to make public every detail of the overseas payments program, and the appropriation of the allotted funds among various items shall be simplified so that the program may be put into practice flexibly and adequately. Incidentally, the Council for International Receipts and Payments shall take the place of the Council of Cabinet Members for compilation of the foreign exchange budget.

4) International transactions shall be carried on freely in any currency authorized foreign exchange banks can handle, whereas at present the Finance Minister designates the foreign currencies in which international dealings shall be conducted. In case of emergency (war, civil commotion, etc.), however, the Finance Minister may ban the use of specified foreign currencies for international business. But the new law will retain the provision for concentration of foreign funds: i.e. foreign funds available from overseas transactions shall be sold on some fixed conditions, via foreign exchange banks, to the Government. As for foreign exchange banks, marine insurance underwriters, shipping firms, etc. engaged in overseas transactions, however, this obligation for concentration of foreign fund shall be alleviated as much as possible.

5) Simple export formalities shall replace the present export validation and other regulations. If possible, the system of post facto approval shall be introduced. Under the present law, any dealing, unless attached with a letter of credit, shall never be recognized as standard settlement, and it requires a series of red-type formalities as non-standard settlement. In the revised law, this system will be abolished as a rule: i.e. dealings without letters of credit shall be recognized as standard settlement with the exception of some specified items (textile goods, sundries, farm produce, etc.). In the case of these items, it is feared that it may often get difficult to secure payments for their shipments, so the present system will be retained as an exception.

6) In addition, some special export restrictions may be imposed, if necessary, a) in order to check the efflux of major materials and b) so as to forestall the possible evil effects of some imports to bear upon specified industries at home.

7) In invisible trade, regular transactions shall be free to the greatest extent. If absolutely necessary, restrictions may be imposed but as a rule on the stage of payments. Dealings which may be controlled, if necessary, on the stage of acts calling for payments shall be confined to some specified service transactions (long-term ship charters, cinema screening contracts, etc.). In these transactions, any official permit issued on the stage of acts calling for payments shall be applicable also to the stage of payments.

8) The foreign exchange special allocation system and the export-import link shall be put to an end, if possible. Customs administration shall be strengthened for control of exports and imports.

9) As for capital transactions, provisions shall be introduced so that Japanese businessmen may be able to promote their investments abroad on their own responsibilities. For introduction of foreign capital, the standards for official license shall be relaxed so that the international contact of capital may be encouraged more than ever, and necessary formalities shall be simplified. If an official license is once issued, it shall be free to make remittances for the recovery of capital and its fruits without any further permit.

Difficulties Seen for New Law

Although the two ministries concerned have agreed to the afore-mentioned principles for revision of the trade control system, their opinions still remain conflicting with each other in some minor details. Take for instance the foreign capital issue.

Finance Ministry authorities have long been thinking of amending the Foreign Capital Law, promulgated in the days of Allied occupation, which is designed to encourage foreign investments in Japan and provides for the Government's guarantee of remittance for authorized foreign capital and its fruits. They opine that economic conditions in Japan have got so stabilized that foreign capital will flow into this country even without such government security, and propose that the guarantee system shall be lifted and, instead, the standards for authorization of capital imports relaxed substantially. From this standpoint, they have been advocating that the Foreign Capital Law as well as the Foreign Exchange and Foreign Trade Control Law shall be revised and incorporated into a unitary legislation for international business transactions.

Ministry of International Trade & Industry authorities, however, fear that the possible abolition of the Government's guarantee of remittance will check the influx of foreign capital necessary for the progress of national economy, and that the drastic alleviation of the authorization standards will lead to such a flood of undesirable capital from abroad as to disturb domestic economy and industry. They urge, therefore, that the system of selecting foreign capital from the viewpoint of industrial policy shall be kept untouched, opposing the unification of the international trade control and foreign capital laws.

Such being the circumstances, it appears unlikely that a Bill for Revision of the Foreign Exchange and Foreign Trade Control Law will be submitted to the Diet in the spring of 1960, though it was once expected that the Bill would soon be put on the agenda and approved by the Solons. At the press conference of December 7, 1959, for instance, Minister of International Trade & Industry H. Ikeda said:

"Authorities concerned have long been studying the much-discussed revision of the foreign trade and foreign capital laws, but I myself think there is no urgent need to tinker with them by forcible measures. The Foreign Capital Law has such provisions that regulation may be relaxed, if enforced adequately, and it will be well able to attain the desired results without amendment. The proposed revision of the Foreign Exchange and Foreign Trade Control Law will prove all the more fruitful, if carried out after the practical realization of free trade. I think, after all, nothing is more essential for us to push in practice our program for trade liberalization."

Labor

Mitsui Mining Dispute Continues:— The fall-winter labor scene has been completely dominated by the prolonged dispute at the Miike Coal Mine of the Mitsui Mining Co. (whose union has the greatest membership in Japan of 48,000) for the following two counts: 1) the inevitable necessity of personnel curtailment for the successful rationalization of the coal industry in the current age of energy revolution; and 2) the fact that the Mitsui Mining Union is the biggest and most violent labor organization in Japan's labor scene. Thus, the reaction of both labor and management to the mediation plan tendered on November 21 by Chairman Ichiro Nakayama of the Central Labor Mediation Board was closely watched by all those concerned. However, the mediation plan apparently failed to satisfy either side with labor rejecting the offer on November 24 followed by the identical move on November 25 by management. The highlights of the current dispute, as have often been enumerated, are centered around the following two points: 1) that there is no hope of rationalizing the ailing giant mining company unless the minimum personnel curtailment to the tune of 4,580 is completed; and 2) that the 300-odd "suboteurs", whose chief business in the mine is to disrupt the regular works, should be completely included in the list of the pruged. The labor side is completely opposed to these moves maintaining that, unless the management's proposal of laying the workers off by names is taken back, it will never cooperate with the management in the latter's effort to rationalize the industry. The mediation plan offered by Chairman Nakayama of the Central Labor Mediation Board, on the other hand, included the following three highlights: 1) as the cessation of sabotage is the first prerequisite for the over-all rationalization and reconstruction, labor and management should cooperate with each other in the successful hiking of production; 2) as for the personnel curtailment, all efforts should be directed to the achievement of the management's original plan within the period of 10 days. Union members should never interfere with the company's efforts in this direction; and 3) if the number of those who are willing to retire fails to reach the expected figure, labor and management should sit across the negotiating table and decide the further courses to take. When this fails, the problem should again be taken to the Labor Mediation Board.

The whirlpool of criticism arose around this mediation offer ranging in scope from those who maintain that the plan was completely in favor of one or the other side of the disputing parties. Two things, however, stood out in bold relief against the confusion. 1) That the Mediation Board recognized the fact that there are "sabotages" at the Mitsui mines; and 2) that the Board recognized the necessity of personnel curtailments to a degree, which the union has constantly opposed to from the begining of the unionism in Japan.

Reasons for rejection of this mediation plan runs as follows for the labor. 1) The mediation plan, under the pretext of removing the obstructing influence on production, aims at shutting the union leaders out of the organizations; and 2) the clause in the mediation plan stating that, if the number of retirement recruits fails to reach the original figure, labor and management should again get together to study further courses to take is a conspiracy to force the union into cooperation to cut its own members' throats. The management, on the other hand, maintains that the acceptance of the mediation plan may bring about a ceasefire for the moment but that, unless the "saboteurs" at the Miike Coal Mine are purged, the whole reorganization and rationalization would not work in the long run.

According to the announcement of the management, the number of willing persons to retire has already reached the original figure, while at Miike alone, the number is far from satisfactory with only 600 workers expressing their willingness to retire. The management, therefore, mailed on December 2 notices to 1,500 workers including 300 "saboteurs" ordering them to quit. The Union, as had been expected, declined this proposal completely and, in protest, carried out demonstrations. Now management and labor of the Mitsui Mining are solidly locked in the quagmire of bloody struggles.

Union Control in Miike Extreme:— Mitsui Mining Co., the biggest of all corporations in Japan in the number of personnel, has been plagued in every half-year term by additional red-ink figure to the tune of ¥200-300 million. Is Mitsui destined to be an eternally losing enterprise? The consensus is a flat no. If the Miike Mine of the giant corporation only plays up to the par, much of Mitsui's financial troubles will be dissolved. The Miike Mine is the biggest of Mitsui's six mines with 13,500 workers on its payroll. Moreover, the mechanization of the mine has already been carried out to an admirable point, while the quality of the coal it produces is one of the best in Japan. Nevertheless, the per worker per monthly production of the Miike Mine is a lowly 14 tons in comparison with the usual 20 tons. Why? The answer is too obvious to miss. Majority of the workers there works only two to three hours a day. Why? There are two conspicuous reasons for this strange development on the southern tip of the country. One is the influence of the "revolution theory" propagated by Professor I. Sakisaka of Kyushu University and the other is the weak-kneed policy of the Mitsui Mining management, whose only tactic in labor disputes is just to retreat in front of the fierce labor onslaught. The union's control of its members at the Miike Mine is literally fabulous. In the first place, the so-called *Tanju* (coal miners housing projects) is like an island in the sea completely separated from the town proper with brick walls surrounded it thick and high. No one can sneak into the premises without "security clearances" at the gate by the union "guards." Moreover, the area is thickly patrolled by the union members and every "suspicious" visitor to the place is immediately thrown out of the place. Even personal letters are subject to the "customs" screenings and those from the management are picked out and kept by the union without being delivered to the addressees. No newspaper except Nishi Nippon Newspaper is allowed on the premises by the union, which maintains that other papers are liable to instigate subversions against the union. Every vote concerning the union activities is carried out under the total supervision of the union leaders, while in the national and local elections, voters are to hear whom to vote by the union leaders at the voting places. As these encroachments on the human rights by the willful union leaders are of daily occurrances, the orders from managements are completely disregarded and the directions from the union leaders are kept to the letter. This is nothing but the producition control by the union leaders. With all these problems and difficulties involved, the Mitsui Mining struggles are expected to continue for a long time to come.

Commodity Market

Cotton Yarn:—Cotton yarn quotations remained relatively stiff in November, except for a few ups and downs at sporadic intervals. For instance, the yarn price in Osaka (40 s singles: current-month delivery) stood almost intact on the ¥240 mark throughout the month while the futures deliveries moved marginally between ¥230 and ¥230. The supply and demand of cotton yarns and fabrics have been harmoniously balanced in recent months, chiefly because of the unexpected fall of monthly production due to the damage by the Ise Bay typhoon and a ban placed on nocturnal operations and also of the active tone of demands inclusive of domestic sales and export shipments. The favorable tone of supplies and demands is believed to have continued into December.

The cotton yarn production in November totalled 225,000 bales with the estimated output in December placed at 221,000 bales, while the monthly demand is likely to continue standing at about 225,000 bales, including 135,000 bales for domestic consumption and 135,000 bales for export shipments. Meanwhile, the inventories of cotton yarn and fabrics as of the end of October registered 494,000 bales (in terms of yarn), slipping 18,147 bales from a month ago. According to the estimate by the Japan Cotton Spinners Association, the average monthly production of cotton yarn in the January-March period (1960) is placed at 225,000 bales, and the demand is set at 218,500 bales (including 83,500 bales for export sales and 135,000 bales for domestic consumption) with the result that the month-end inventories are bound to increase 6,500 bales each month.

Raw Silk:—Raw silk quotations grew increasingly strong in November with the spot price (Yokohama) up at ¥3,400 per kilogram (¥204,000 per bale) on November 23 after advancing to ¥2,300 on the 20th from ¥3,200 on the 17th and ¥3,100 on the 11th. An reactionary fall followed, but the slip was shortlived, and the quotation passed the month into December at around ¥2,400. Futures quotations also topped the ¥200,000 mark (per bale) on November 21 for the first time in two years and a half. The Government has been adopting a policy of restricting the silk price below the ¥180,000 mark (per bale) since April, 1959, and has continued releasing raw silk (purchased by the Government under the provisions of the Raw Silk Price Stabilization Emergency Measures Law totalling some 48,000 bales) at ¥180,000 per bale. By such "emergency" releases, Government's silk holdings were almost exhausted by the end of November to make further stabilization operations difficult. To cope with the situation, the Government is hastening to revise the Raw Silk Price Stabilization Law so that it may release the additional amount of raw silk estimated at 45,600 bales (which under the latter law be sold only at ¥230,000 per bale) at ¥180,000.

Meanwhile, the Ministry of Agriculture & Forestry reported that the raw silk production (preliminary) in November totalled 26,838 bales, decreasing 8.0% from the October output, while the demand in November reached a new peak at 29,198 bales, well in excess of October's 27,503 bales. November exports of raw silk totalled 9,884 bales, down 29.0% from October, but still up 59.0% over the corresponding month in 1958.

Woollen Yarn:—Prices of worsted yarn were comparatively fluctuant in November with the Nagoya quotation (current-month delivery) starting the month at ¥1,763 per lb., up some ¥100 over a month ago, soaring to ¥1,830 on the 25th, and then diving to ¥1,728 at the end of the month. The November boost of the worsted yarn prices was attributable to buying operations by major weavers on the spur of swelling demands both at home and abroad, particularly the fair tone of woollen goods exports. In November, Japan's exports of woollen fabrics totalled 2,994,000 square metres, increasing 15.9% over the October outgoings. As a result, export shipments of woollen fabrics in the first 11 months of 1959 aggregated 24,432,000 square metres, registering a sharp gain of 43.7% over the sales in the like period a year ago. The domestic demand for woollen goods also swelled in November. The November production of worsted yarn totalled 6,473 tons, up 0.3% over October and 39.2% larger than a year ago. Despite the rising production, yarn inventories as of the end of October stood at 2,070 tons, 13.8% smaller than 2,400 tons in November, 1958, . . .

Chemical Fibres:—The spun rayon yarn quotation (Osaka: current-month delivery) started November at ¥153.40 per lb., up some ¥10.00 over a month ago, continued marking time for some time, and closed the month slightly lower at ¥145.00. Export shipments of spun rayon yarn in November amounted to 1,511 tons, slipping 1.2% from October, and exports of spun rayon fabrics also dived 9.5% to 41,811,000 square meters. The January-November total of export shipments was 14.0% smaller for yarn and 20.0% slimmer for fabrics than a year ago. The swelling domestic demand, however, sufficiently offset the setback in exports. For instance, the inventories of viscose spun rayon yarn as of the end of October slipped 8.0% from a month ago to 2,816 tons, or a marked decline of 65.0% from a year ago at 8,028 tons, and this trend continued into November. Rayon filament yarn moved almost in the same manner, with the Osaka quotation (current-month delivery) starting November at ¥199.90 per 0.5 kg., about ¥10.00 higher than a month ago, zigzagged for about 20 days and ended the month at ¥194.00. Unlike spun rayon yarn, rayon filament yarn enjoyed fair exports in November with the shipments totalling 1,527 tons or an increase of 17.6% over the preceding month. The January-November total of export shipments aggregated 11,280 tons, eclipsing the corresponding period in 1958 by 25.9%, and eclipsing the calendar 1958 total of 10,084 tons. Long-range export contracts with the Soviet Union and the United States are major stimulants.

November Production of Chemical Fibres
(in metric tons)

	November	Compared with Oct. (%)
Rayon filament yarn	6,542	0.5
Cupra ammonium yarn	1,109	⊖0.5
Rayon staple	24,366	1.5
Acetate yarn	736	⊖3.1
Acetate staple	335	8.8
High-tenacity rayon	1,874	⊖1.5
Vinylon	1,575	4.6
Nylon	2,862	18.6
Vinyliden	269	1.2
Acrylonitriles	1,564	2.4
Polyvinyl chloride	297	⊖6.8
Tetoron	1,302	⊖3.9
Polyethylene	59	96.7
Total	42,890	2.1

Notes: ⊖ decreases: others, increases.
Source: J.C.F.A.

Rubber:—The domestic quotations of crude rubber, which started rebounding in May, 1958, began to accentuate the rising tempo and reached ¥246.5 (Tokyo Rubber—RSS # 3) per lb. on November 20, more than double the price in early October. Responsible for the marked soaring of crude rubber prices is the combination of latest stimulants such as the sharply increasing consumption of new rubber in the United States and other industrial nations of the world and the standstill of rubber production in major producing countries including Indonesia. Singapore rubber quotations took the lead in the price hike with the markets in consumer countries like New York, London and Tokyo following suit. The rubber market, however began to calm from early December with the average price down to ¥150.0 per lb.

Japan's consumption of crude rubber has been on the steady gain, reaching 12,890 tons in August, 13,000 tons in September, and 13,160 tons in October. Rubber imports by Japan, on the other hand, have been steadily declining apparently for fear that the United States and Britain may announce releases out of their natural rubber stockpiles. With the year's peak at 16,550 tons registered in August, rubber imports slipped to 11,176 tons in September, and further dived to 9,000 tons (provisional) in October. As a result, invenvories as of the end of October dwindled 5,400 tons from two months ago to 9,340 tons, and a further slip is estimated to have been made vo 6,340 tons as of the end of November, the smallest since March, 1955 when the stocks dipped to 6,600 tons.

In these circumstances, the prices of rubber goods have been on the hike. The sales prices of rubber boots, auto tires and auto tubes have been raised 10.0–15.0%, effective with December deliveries, and also upped were the prices of industrial belting (up 15.0%), hoses (up 17.0%) and rubber toys (up 10.0%), followed by cycle tires and tubes (up 20.0%) and foam rubcer (up 12.0%). The Japan Rubber Manufacturers' Association estimates that the domestic consumption of new rubber in fiscal 1960 will reach 10,850 tons, nearly 10.0% larger than the 1959 demand.

Key to Japanese Firms

Spinning Companies

Spinning companies have begun to make a sound recovery out of the semi-chronic depression. The fast tempo of recovery is well noted from the business results for the half-year term ended October, this year released by the "Big 10" cotton spinning companies. The total sales of the 10 leaders for the term ending October, 1959 aggregated ¥130,000 million, some 13.0% larger than the sales in the term ended April, 1957, and the combined total of declared profits also increased some 3-fold. To give more concrete figures, the "Big 10" spinners were virtually in the red with the total deficits at ¥1,309 million for the term ended April, 1957. For the half-year term ended October, 1959 the combined total of net profits reached ¥6,470 million, meaning an actual profit gain of ¥7,729 million.

The noteworthy improvement in the business results achieved by the "Big 10" spinners was attributable chiefly to the encouraging progress of inventory adjustment operations through drastic production cutbacks as well as to the recovery of the general demand for textile goods. Equally conducive to the welcome developments was the fall of production costs mainly because of the slip of the prices of major raw materials such as cotton and wool.

Kanegafuchi Spinning

In the latest recovery of spinning firms, Kanegafuchi Spinning was especially outstanding. This company has been long noted for its positive management policy. It was on the basis of its traditional business policy that the company some time ago widely expanded spun rayon equipments at its Hofu plant (Yamaguchi prefecture). Unfortunately, textiles began to tend downward at the time when the expansion plan was completed at Hofu. Thus, the company was compelled to curtail production before new facilities could begin operation, and to carry out a large-scale personnel readjustment in the autumn of 1958 in order to cope with the oncoming depression. The recovery from the start of 1958 was steady and sure. Responsible for the good showing of the company for the September term were mainly due to the rally of chemical fibres and the absence of Kanegafuchi workers from the strike undertaken by all textile workers in August, 1959. The silk division of the company made a noteworthy improvement in the half-year term under review because of active export shipments of silk goods to the United States. With the declared profit for the September term standing at ¥569million, a fair increase is likely for the current term ending April, 1960. For the current term, the sales are estimated to reach ¥23,000 million and het real profit will grow to around ¥1,700 million.

Kanegafuchi's Business Results
(In million yen)

	Term ending Oct., 1959	Term ending April, 1959
Sales	21,329	18,964
Sales profit	3,154	1,691
Profit rate	15.0%	9.0%
Sales by group—		
Cotton goods	9,557	8,745
Woollen goods	5,634	5,045
Chemical fibres	4,273	3,407
Silk & synthetic fibres	1,862	1,756
Profit rates by group—		
Cotton goods	12.0%	9.0%
Woollen goods	19.0%	12.0%
Chemical fibres	12.0%	2.0%
Silk & synthetic fibres	22.0%	15.0%
Declared Profit	569	12

Toyo Spinning

Toyo Spinning has long been topping the list of the "Big 10" spinners in the volume of annual sales. For the half-year term ended October, 1959, the company sold ¥23,000 million worth, but the declared profit was restricted to only ¥61,000,000.

Toyo's Business Results
(In million yen)

	Term ending Oct., 1959	Term ending April, 1959
Sales	23.091	19,803
Sales profit	2,456	1,383
Profit rate	13.0%	7.0%
Sales by group—		
Cotton goods	13,209	11,698
Woollen goods	6,321	5,048
Chemical & synthetic fibres	3,560	3,058
Profit rates by group—		
Cotton goods	11.0%	6.0%
Woollen goods	16.0%	7.0%
Chemical & synthetic fibres	14.0%	10.0%
Declared profit	61	158

The decline of the declared profits in the October term from the April term despite the gain in the sales volume was solely due to the damage done by Typhoon Vera which swept through the Ise Bay area (surrounding Nagoya, Japan's textile centre) at the close of September. The Tomita factory of the company (devoted to high-grade yarns) was heavily hit by the typhoon with the damage estimated at well over ¥800 million. To cover the damage, the company had to earmark a substantial portion of the October-term profit for the recovery of the typhoon damage. Despite the unfavorable showing for the October term, however, the company's future outlook is bright, as it still holds a large total of reserve funds and was able to continue a 16.0% dividend out of a special reserve. For the current term ending April, 1960, the company expects to sell about ¥25,000 million and to garner a net profit of about ¥1,600 million.

Dainippon Spinning

Dainippon Spinning takes the third place in the volume of sales among the three firms, but tops in the amount of declared profits. The business result of the company for the October (1959) term was generally favorable, as follows:

Dainippon's Business Results
(In million yen)

	Term ending Oct., 1959	Term ending April, 1959
Sales	19,871	16,264
Sales profit	2,544	944
Profit rate	13.0%	6.0%
Sales by group—		
Cotton goods	10,159	8,903
Woollen goods	5,283	4,089
Chemical fibres	3,711	3,704
Silk & synthetic fibres	716	566
Profit rates by group—		
Cotton goods	13.0%	8.0%
Woollen goods	7.0%	17.0%
Chemical fibres	7.0%	—
Silk & synthetic fibres	10.2%	2.0%
Declared profit	752	54

In the October term, the company incorporated the sum of ¥500 million into the price fluctuation reserve fund, and made special depreciation of ¥43,000,000 For the current term ending April, 1960, the company expects to sell ¥21,500 million and to reap a net profit of ¥1,500—1,600 million.

Fuji Spinning

Fuji Spinning, devoted almost exclusively to cotton and spun rayon, was heavily affected by the depression of the spun rayon sector. The business result of the company for the half-year term ended October, 1959, however, was comparatively fair with the sales and profits fairly up over the preceding term.

Fuji's Business Showings
(In million yen)

	Term ending Oct., 1959	Term ending April, 1959
Sales	8,661	7,908
Profit	1,103	472
Profit rate	13	6
Sales by group—		
Cotton goods	5,253	4,982
Chemical fibres	1,734	1,622
Synthetic fibres & others	1,674	1,304
Profit rate by group—		
Cotton goods	14.0%	11.0%
Chemical fibres	11.0%	—
Synthetic fibres & others	2.0%	11.0%
Declared profit	414	51

The marked improvement of the profit rate of the chemical fibres sector was largely responsible for the better showing of Fuji Spinning for the October term. The company registered the declared profit of ¥414,000,000 for the October term after having set aside ¥48,000,000 for a special reserve fund and ¥90,000,000 for the inventory revaluation loss and the price fiuctuation reserve, and continued a 16.0% dividend for the term. In an attempt for better profits, the company is endeavoring to multiply its management form by diversifying its products which hitherto were confined largely to cotton and spun rayon goods. As the first step toward this direction, it has embarked upon the synthetic and mixed products sector, and the present effort is being directed toward industrialization of propylene through a technical tieup arrangement with Monticatini (Italy). The company expects to register the sales of ¥9,500—9,600 million and to garner a profit of about ¥1,000 million in the current term ending March, 1960.

Nitto Spinning

Nitto Spinning enjoys a comparatively unique position among the "Big 10" spinners as it is engaged in the processing of "mineral fibres" like glass fibre and rockwood.

Nitto's Business Showing
(In million yen)

	Term ending Oct., 1959	Term ending April, 1959
Sales	8,327	7,247
Profits	1,234	654
Profit rate	14	11
Sales by group—		
Cotton goods	3,853	3,918
Chemical fibres	3,226	2,436
Silk & synthetic fibres	396	172
Mineral fibres	851	719
Profit rates by group—		
Cotton goods	16.0%	11.0%
Chemical fibres	11.0%	3.0%
Silk & synthetic fibres	4.0%	2.0%
Mineral fibres	21.0%	23.0%
Declared profits	301	38

Responsible largely for better result for the October term was the favorable sales of specific products like high-grade resin-treated cotton fabrics due to the advent of the seasonal demand, as well as a bigger profit from the cotton goods sector. The company is gradually industrializing production of Nitron, a synthetic fibre in the acrylic group of chemical textiles and also is set to start manufacturing polypropylene through a technical tieup deal with Italy's Monticatini. The company is expected to sell ¥9,000 million and to earn ¥600 million for the current term ending April, 1960.

Daiwa Spinning

The notable elevation of the profit rate of the sales of cotton goods which account for more than 65% of the company's business was the first support to Daiwa Spinning's showing in the half-year term ending October, 1959.

Daiwa's Business Showings
(In million yen)

	Term ending Oct., 1959	Term ending April, 1959
Sales	10,420	9,577
Sales Profit	1,329	608
Profit rate	13.0%	6.0%
Sales by group—		
Cotton goods	6,519	6,186
Woollen goods	966	795
Chemical fibres	2,283	2,145
Synthetic fibres	650	450
Profit rate by group—		
Cotton goods	14.0%	9.0%
Woollen goods	9.0%	1.0%
Chemical fibres	11.0%	1.0%
Synthetic fibres	8.0%	6.0%
Declared profit	505	101

The company expects to register the sales of ¥11,500 million in the current term ending April, 1960 with the real profit for the term estimated at ¥800 million. Since the early part of 1959 Daiwa Spinning has been conducting a basic research pertaining to fluorine fibres through a technical tieup with Osaka Metal Industry.

Kureha Spinning

As other spinning firms, the business result of Kureha Spinning was favorable for the term ending October, 1959.

Kureha's Business Showings
(In million yen)

	Term ending Oct., 1959	Term ending April, 1959
Sales	10,460	9,548
Sales profit	1,555	753
Profit rate	14.0%	8.0%
Sales by group—		
Cotton goods	9,173	8,744
Woollen goods	1,287	804
Declared profit	326	202

The company still remains under the heavy impact of bulky debts (estimated at ¥8,500 million, inclusive of short-and long-term loans), and the burden of interest payment is equally bulky (estimated at ¥530 million a year) because of extensive investments in its subsidiaries like Kureha Chemical. As of the end of October, 1959, such investments aggregated ¥4,505 million.

Kurashiki Spinning

With the sales for the term ending October well eclipsing ¥10,000 million, the company reaped a fair profit for the term. Responsible for the good showing was the improvement of the sales of cotton goods, and the slip of wool prices (by about ¥120—150 per lb.).

Kurashiki's Business Showings
(In million yen)

	Term ending Oct., 1959	Term ending April, 1959
Sales	10,629	9,644
Sales profit	1,658	919
Profit rate	16.0%	10.0%
Sales by group—		
Cotton goods	8,042	7,546
Woollen goods	2,586	7,546
Profit rate by group—		
Cotton goods	12.0%	9.0%
Woollen goods	27.0%	13.0%
Declared profit	650	319

The company expects to sell ¥11,100 million worth in the current term ending April, 1960 to reap a prhfit well over ¥1,200 million.

Shikishima Spinning

An encouraging improvement was noted in the cotton and woollen goods sectors of the company in the half-year term ending October, 1960, the unfavorable showing of the synthetic fibres sector forced the company to stand in the red eventually for the term. With the synthetic fibres sector expected to garner profits in the current term (ending April, 1960) and with other sectors certain to continue in the black, a bright future is in store for the company with the sales estimated at around ¥9,000 million and the profit at about ¥600 million.

Shikishima's Business Showings
(In million yen)

	Term ending Oct., 1959	Term ending April, 1959
Sales	7,973	7,332
Sales profit	1,065	645
Profit rate	13.0%	9.0%
Sales by group—		
Cotton goods	6,918	6,210
Woollen goods	154	113
Chemical fibres	900	823
Synthetic fibres	174	—
Declared profit	440	154

Nisshin Spinning

The sales of Nisshin Spinning for the last term ending October, 1959 totalled ¥9,394,000,000, well in excess of the sales in the preceding term at ¥8,620,009,000. The declared profit at ¥729,000,000 was not correspondingly bulky, as the company's Nagoya plant was heavily damaged by the Ise Bey typhoon. To cover the consequent loss, the company was compelled to set aside the sum of ¥4000,000,-000. The sales profit rate at 18.4%, however, is the best of all the "Big 10" results.

Company Notes

Sumitomo's Atomic Energy Project (*Sumitomo Atomic Energy Industry Co.*)

Sumitomo Atomic Energy Industry, financed by all major firms of the Sumitomo group, made its debut on November 18, in the wake of similar atomic energy companies created by the financing of other former Zaibatsu groups—Mitsui and Mitsubishi. The new company is capitalized at ¥630 million (paid-up; authorized capital, ¥2,000 million), with the capital share payment due in the early part of 1960. As major activities, the new company is tasked with test-manufacturing and sales of atomic energy equipments side by side with researches and studies pertaining to the peaceful utilization of atomic power. Basic studies of related problems will be made by other Sumitomo-group companies concerned including—radioactive rays (Sumitomo Chemical Industry), nuclear fuel refining (Sumitomo Metal Mining), nuclear fuel processing (Sumitomo Metal Industries & Sumitomo Electric Industry), and nuclear fuel instruments (Nippon Electric Industries).

Pakistani Order for Com. Cables (*Sumitomo Electric Industries*)

Sumitomo Electric Industries has received an order from the Postal Services Ministry of the Pakistani Government for about ¥150 million worth of communication cables. The order comprises about ¥56,500,000 worth of city cables (75 pairs to 800 pairs) and ¥48,000,000 worth of suburban cables (104 pairs-steel sheathed and 216 pairs-cotton taped).

New Synthetic Rubber Project (*Japanese Geon Co.*)

For increasing synthetic rubber production, Japanese Geon has drafted the second production expansion plan aimed at boosting the annual output by 30,000 tons. The new plan, which was submitted to the Ministry of International Trade & Industry for approval in November, is designed for lowering production costs by mass production. Japanese Geon completed the first synthetic rubber production plan with the monthly production placed at 8,600 tons of special synthetic rubber (such as SBR) at its Kawasaki plant, in May, this year, and started manufacturing in August.

World Bank Loans to Steel (*Yawata Iron & Steel and Fuji Iron & Steel*)

Contracts for World Bank loans to Yawata Iron & Steel and Fuji Iron & Steel totalling $44,000,000 ($20,000,000 for Yawata and $24,000,000 for Fuji) were formally signed in Washington D.C. November 12. The requests for the current loans were submitted to the World Bank in October, 1958 as part of the second series of World Bank Loans (estimated to total $315,000,000). Yawata will use the new loan for the expansion of the Tobata Works and Fuji will spend the loan for the expansion of the Hirohata works and for machinery to be imported from the United States. The contracts were concluded between the World Bank and the Japan Development Bank with the guarantee by the Japanese Government.

Hyzex Power Cable with High Softening Point (*Fujikura Cable Works & Mitsui Petrochemical*)

By virtue of a joint research with Mitsui Petrochemical, Fujikura Cable Works has succeeded in manufacturing a "Hyzex power cable" with the softening point as high as 130 degrees C. The cable is reported to be most suitable at places using quantities of chemicals, and is expected to be widely in demand by chemical plants.

Electronic-Line Automatic Control (*Hokushin Electric Works*)

Hokushin Electric Works, Ltd. has succeeded in manufacturing on commercial basis an electronic-line automatic control equipment (commonly known as the E-line system). The company is one of the first of many electric machine manufacturers making exhaustive studies in the application of electronic devices to automatic control operations. Other major manufacturers marketing electronic-control equipments are Yokogawa Electric Works (all electronic-type automatic control system), Fuji Electric Mfg. (telepar system), Yamatake Honeywell Keiki (Tel' o' Set) and Shimadzu Seisakusho (electric system), and Tokyo Keiki (mycrosen system).

For More Land Machinery Production (*Mitsubishi Shipbuilding & Engineering*)

Mitsubishi Shipbuilding & Engineering Co., Ltd. will undertake a three-year equipment rationalization program starting January, 1960 at the total cost of about ¥3,000 million for boosting the production of land machinery. Upon the completion of the present plan, the company will increase the production of machinery on land uses to 50.0% of the total sales (with ships accounting for the remaining half.)

New Anti-Biotic against Cancer to be Marketed (*Kyowa Fermentation Industry*)

Kyowa Fermentation Industry Co., Ltd. has started marketing in October a new anti-biotic against cancer named "Mitemycin" manufactured through the refining of a new actinomyces discovered in Tokyo. The new antibiotic is reported to be particularly effective as a cure for nasty cancer of the stomach.

Tieup with Inocenti for Machine Tool (*Mitsubishi Shipbuilding & Engineering*)

The Hiroshima Precision Machine Manufactory of Mitsubishi Shipbuilding & Engineering was officially authorized by the Foreign Investment Council to conclude a technical tieup contract with Inocenti Societa Generale per L'Industria Metallurgica e Meccanica of Italy on November 4. Under the contract, the Japanese company will induct technical knowhow from the Italian firm for the manufacture of the CBW-type milling, boring machines and multi-process machine tools of the highest international standards.

Giant Tanker for Brazil Completed (*Ishikawajima Heavy Industries*)

Ishikawajima Heavy Industries, Ltd. completed the giant tanker President Wenceslau by the order of Petroleo Brasileiro S/A (the Petroleum Corporation of Brazil). The big tanker (33,000 tons) was launched in July, this year, and was delivered to the Brazilian customer's representative in Japan in a ceremony held in Tokyo on November 30.

New Firm for Metal Precision Screens (*Dainippon Printing*)

Dainippon Printing Co., Ltd. has established a new company under the name of Dainippon Photo-Mechanical Industry Co. for the production of shadow masks, transistor masks, screens for centrifugal separators and like products for which the domestic demand has been increasing sharply. The new company, capitalized at ¥20,000,000, will be headed by Kenji Katayama (executive director of Dainippon Printing) as president, and will start operation at the initial monthly capacity of 500 pieces of shadow masks.

Stainless Pipes Bound for Soviets (*Kobe Steel Works*)

The Kobe Steel Works, Ltd. concluded a contract for the export of about 1,000 tons of stainless steel pipes (valued at about ¥1,200,000,000) bound for the Mineral Products Trading Corporation of the Soviet Union. Under the contract, inked through Meiwa Sangyo, calls for the shipment of steel pipes (25-60 mm in diametre) over the period of 10 months starting February, 1960.

Gas-Filled Mercury Rectifier (*Hitachi Ltd.*)

The Hitachi Works of Hitachi Ltd, has completed the production of a gas-filled mercury rectifier for Kei-Han-Shin Kyuko (Express) Railway Co. The new rectifier (1,000 Kw, 600 V in capacity) is installed in a steel case about 2 meters high. It can be erected in the open and operated mechanically from a distance. It dispenses with the trouble of heating a mercury tank for mercury steam necessary for the operation of the rectifier as has hitherto been the case with ordinary rectifiers.

Book Review

Sekiyu-kagaku Shihon no Keisei (*in Japanese*) (*The Formation of Petrochemical Capital*) *Compiled by Kagaku Keizai Kenkyu-sho* (*Chemical Economy Study Institute*) *Published by Toyo Keizai Shinpo-Sha. ¥370. Pp. 273.*

Of all the inorgnic materials for chemical industry, industrial salt and phosphor ores are the only two items lacking in Japan. On the contrary, when the matter turns to organic materials including oils-fats, starch and coal, Japan has always been on short supply. On top of this, it is almost next to impossible for the prices of these items to drop sufficiently to reduce the production costs of the finished items. Hence the keenly-felt necessity of the rise of petrochemical industry in Japan. As early as in 1954, the Ministry of International Trade & Industry drew up the "measure for the fostering of petrochemical industry in Japan. The highlights of the MITI measure include the following three points: 1) To put tighter controls over the bulky imports of petrochemical products totalling $12,600,000 annually; 2) to promote exports of such petrochemical products as sythetic resins and sytehtic fibers; and 3) to contribute to the rationalization of petroleum refining and ammonium industries. The MITI is also giving a helping hand in the industry's trial to bring down the prices to the international level by permitting the selected enterprises to ask for technical assistances from the overseas companies. As the petrochemical industry requires a great deal of capital, the following three forms of pooling capital and other resources are currently in evidence in Japan. 1) Cooperation among the former Zaibatsu affilites and subsidiaries; 2) Cooperation among the enterprises in a particular locale; and 3) Cooperation among the non-Zaibatsu companies in their trial to muster enough power to compete successfully with Zaibatsu enterprises. The current book is a fully-documented reportage on these and other interesting points in Japan's rising petrochemical industry. (*K.N.*)

Nihon no Sekiyu Sangyo—(*Japan's Petroleum Industry*) (*In Japanese*) *Edited by Seiji-Keizai Kenkyu-Sho* (*Politico-Economic Study Institute*) *Pp 196. Price: ¥280.*

Japan has one of the poorest oil resources in the world. This fact has forced the Japonese oil enterprises into becoming mere oil refiners of imported petroleum. This fact in its turn makes Japan's oil makers heavily dependent on the giant foreign oil enterprises. During the Pacific War, the military government forced the oil refiners to merge into eight major companies—Nippon, Mitsubishi, Showa, Maruzen, Daikyo, Nihon Mining, Toa Nenryo and Koa—in the hope of making best of the poor petroleum resources available to Japan.

After the War, every one of these eight major oil refiners are more or less related to foreign oil enterprises in their reconstruction and developments. For example, the Standard Vacuum has Toa Nenryo under its wings (with controlling share of the company's stock) and refine its own oil for distribuion throughout Japan. Caltex, on the other hand, has a contract with Nippon Oil and the two companies have set up an oil-refining affiliate for the Japanese markets. Caltex has 50% of Koa Oil's share, while Shell Oil has provided half of Showa Oil's capital. Mitsubishi Oil likewise has a tie-up contract with Tidewater Oil of the U.S. Other Japanese oil companies, perhpas not so conspicuously, have some kind of relations with foreign oil companies—some through long-term oil supply contracts, others through chartering of oil tankers and still others through capital requirement. A new development is now dawning for the Japanese petoleum industry in the form of rising petrochemical industry as a major industry of the 20th century. At this important juncture, the appearance of the current book devoted to the analysis and documentation of the present situation of Japan's petroleum industry cannot be too highly praised. (*K.N.*)

Nippon 1959—A Charted Survey of Japan *Compiled by the Tsuneta Yano Memorial Society and Pubulished by Kokusei-sha, Tokyo. Pp. 280. Price ¥1,600.*

Readers would be tempted to call this book "Japan at a Glimpse" or something like that rather than the august-sounding name now adopted—Nippon-A Charted Survey. When you have something to know about Japan, her people or her industries, just look for that something in this book. There, in a neat and compact form, you will find what you have been looking for. Everyone who has an inkling of interest in things Japanese, Nippon 1959 will be a very handy companion in your library. (*A.T.*)

Togyo Jiten (Sourcebook on Sugar Industry) (*in Japanese*) *by Hiroshi Higuchi. Published by Naigai Keizai-sha. pp. 608. Price: ¥3,000. Format: B-5 (182×257).*

Published as it is just at the moment when a new epoch is apparently dawning on the sugar industry in the world, this is quite an appropriate publication. "Sugar production in the world is estimated to have reached 50,000,000 tons, or the biggest figure ever recorded in history.... Spot quotations on the New York sugar market is reported to have sagged to ¢2.50. These figures deserve special attention as signs of a forthcoming new era in this industry," writes the author in his preface.

This publication, encased, consists of four parts: i.e. Sourcebook on Sugar Industry, Sugar Industry Memoirs (included in Sourcebook), World Sugar Directory (separate cover) and World Sugar Charts (five folded loose leaves illustrating producing centers, quotations, flow sheets, etc.). In the Sourcebook, all the aspects of the sugar industry is explained in detail from every angle: namely, history in the world and Japan, making processed, refining, artificial sweetenings, marketing, consumption, the sugar industry in world countries, international relations and so forth. The directory lists about 1,700 sugar firms (cane and beet) and their organizations all the world over. The Sugar Industry Memoirs, written in essay style by 41 sugar industrialists and experts, provide interesting historical data about the sugar industry in Japan. Readers can also enjoy 40 pictorial pages at the front.

The author is a noted journalist versed in the sugar industry. In 1956, he published *Nippon Togyo Shi* (*History of Japan's Sugar Industry*), the cream of which appears to have been incorporated into this publication. (*M.Y.*)

Lectures on Economic Principles (Volume II): *Written by Sir Dennis Robertson. Published by Staples Press Limited, London. 16s net. Pp. 162.*

This is the second volume of an important series of lectures on Economic Principles delivered by Sir Dennis Robertson. The first volume dealt with introductory matters and with the Theory of Value: the present volume deals with the Theory of Distribution and the third with Money and the fluctuations of economic activity. This will make especially good and enlightening reading to the general readers who have an inkling of interest in how the economic system works and reacts. (*A.T.*)

Japanese Woodblock Prints: *By Shizuya Fujikake; Published by Japan Travel Bureau. Price: ¥600 ($3.25 outside Japan). Pp. 225 with 150 photos.*

In the famous Tourist Library Series of J.T.B. *Japanese Wood-Block Prints* is a rejuvenated edition of one of the established works on the art of Japanese wood-block prints. Written by the late Mr. Shizuya Fujikake, who devoted his whole life to the study of a variety of Japanese wood-block prints from the art's infancy in the 11th century down to the present-day, the current book is packed with the maximum of illustrations possible for this kind of book and price. You can unknowingly become a minor authority on the subject of Japanese wood-block by a casual, leisure-time reading of this small, but enlightening book. (*A.T.*)

1. Business Indices

Items	Units & Standards	1956 Ave.	1957 Ave.	1958 Ave.	1959 June	1959 July	1959 Aug.	1959 Sept.	1959 Oct.	1959 Nov.	1958 ***
Finance & Banking											
Treasury Acct. with the Public (1)	Fiscal Year • ¥100,000,000	⊖ 1,634	2,597	⊖ 2,510	116	⊖ 266	601	⊖ 99	1,243	⊖ 1,118	⊖1,109
Bank of Japan Accounts (2) End of Year or Month											
Bank Note Issues	¥100,000,000	7,848	8,371	8,910	7,883	7,811	7,794	7,853	8,113	8,423	7,133
Loans Total	,,	1,399	5,519	3,793	3,802	3,519	4,139	4,175	3,388	2,431	3,274
Government Bonds	,,	5,867	3,872	5,360	3,649	3,891	3,107	3,066	4,327	5,395	4,167
Postal Savings and Postal Transfer Savings (3) End of Year or Month	,,	6,652	7,654	8,597	8,784	9,062	9,086	..	..	..	7,897
All Banks Account (2) End of Year or Month											
Deposits	,,	47,642	55,048	64,840	66,632	66,891	67,339	69,394	69,245	..	61.051
Loans	,,	40,661	50,244	58,129	61,383	62,111	62,886	64,192	64,617	..	55,417
Clearings of Bills (4)											
Number	1,000 bills	146,302	161,191	166,830	16,781	15,686	14,976	15,187	15,673	..	14,078
Amount	¥100,000,000	401,110	511,711	569,394	47,913	46,080	45,410	50,410	49,062	..	50,107
Interest Rate on Loan of All Banks (2)	Per Diem Rate for ¥100	2.311	2.304	2.333	2.214	2.212	2.209	2.207	2.209	..	2.287
Stocks											
Average Share Price (Tokyo Stock Exchange) (5)											
Dow Jones**	Yen	485.33	535.57	571.97	806.95	832.30	863.12	893.43	934.99	948.98	622.30
Simple Arithmetic Means	,,	126.43	114.10	110.36	146.55	150.22	154.45	156.89	158.54	160.42	116.37
Tokyo Stock Exchange (5)											
Total Turnovers	Million Stock	6,692	7,692	11,684	1,682	1,528	1,495	2,142	2,914	2,329	907
Investment Yields	%	6.68	7.14	6.68	4.62	4.35	4.11	4.30	▲4.11	4.13	5.91
Prices											
Bank of Japan Wholesale Price Indices (2)											
Total Average	1952=100	102.2	105.3	98.4	98.5	98.6	99.7	100.1	101.0	101.8	97.3
Producer Goods	,,	103.5	107.5	97.9	98.1	98.3	99.3	99.5	100.2	100.6	95.8
Consumer Goods	,,	100.4	102.2	99.3	99.0	99.1	100.3	100.9	102,1	103.4	99.3
Consumers Price Indices (6)											
All City Average	1955=100	100.4	103.5	103.0	103.7	103.8	105.4	104.4	105.9	..	104.3
Tokyo	,,	101.0	103.9	104.9	105.1	105.3	107.1	106.5	107.8	107.9	106.9
Tokyo Retail Price Indices (2)	1952=100	102.1	104.4	103.2	101.8	102.2	104.5	103.1	104.5	103.2	103.1
Tokyo Living Cost Indices (7)	1946. 11=100	832.3	869.3	871.7	868.0	869.9	872.8	886.9	901.8	890.8	870.4
Foreign Trade Price Indices (1)											
Exports	1953=100	96.4	97.4	90.7	90.0	90.0	90.8	▲91.2	91.8	..	89.3
Imports	,,	95.9	101.4	88.4	84.0	84.1	84.4	83.4	83.0	..	85.7
Foreign Trade											
Exports & Imports (1)											
Exports	Million Dollars	2,501	2,853	2,876	274	300	301	283	▲345	293	237
Imports	,,	3,230	4,284	3,032	325	314	290	299	298	290	223
Balance	,,	⊖ 729	⊖1,426	⊖ 156	⊖ 51	⊖ 14	11	⊖ 16	48	3	14
Foreign Trade Volume Indices (1)											
Exports	1953=100	207.9	231.5	240.4	266.1	295.8	293.6	278.9	332.1	..	256.8
Imports	,,	138.3	172.4	141.8	194.1	187.6	169.3	178.5	181.9	..	142.3
Foreign Exchange Accounts (2)											
Total Receipts	Million Dollars	3,225	3,643	3,510	357	353	343	360	372	..	307
Total Expenditure	,,	2,931	4,175	2,999	299	299	361	309	307	..	261
Balance	,,	293	⊖ 533	511	58	54	⊖ 18	51	65	..	46
Foreign Currency Reserve (1)	,,	* 738	524	629	1,105	1,201	1,181	1,209	1,250	1,291	805
Production & Inventories											
Producer Delivery Indices (8)											
All Industries	1955=100	123.3	143.3	144.2	178.1	179.6	179.2	▲186.0	188.5	..	148.7
Mining & Manufacturing	,,	122.4	144.5	144.8	180.3	181.0	181.0	▲188.4	190.5	..	149.2
Manufacturing	,,	123.5	146.4	147.0	185.4	186.2	186.9	▲194.0	196.2	..	151.2
Raw Material Inventories Indices (8)	,,	117.9	163.2	160.8	170.4	177.0	178.7	▲179.8	178.9	..	154.7
Producer Goods Inventories Indices (8)											
Mining & Manufacturing	,,	99.6	129.0	153.9	150.4	156.0	▲155.5	▲155.1	158.6	..	148.8
Sellers Inventories Indices (8)	,,	114.1	145.1	154.6	154.2	156.9	166.6	165.2	..	..	161.2
Construction Works Started (9)											
For Private Living	1,000 SM	21,021	22,413	23,194	2,111	2,483	2,268	..	..	..	2,128
Others	,,	19,923	21,332	19,970	1,938	2,124	2,106	..	..	..	1,618
Order Received for Machinery (10)	¥100,000,000	6,647	—	4,783	503	681	529	746	..	..	766
Warehouse Inventories (8 Biggest Cities) (11)	1,000 tons	2,807	3,017	2,719	2,694	2,768	2,958	..	..	..	2,690
Railroad Carloadings (12)	,,	169,769	179,992	167,047	14,794	14,709	14,468	14,825	15,726	15,595	14,856
All Japan Department Store Sales (8)	¥million	258,899	309,950	338,370	27,061	38,667	27,026	23,231	▲32,579	..	27,464
Labor, Household Budget											
Employment Indices (Regular Employees) (13) Manufacturing	1955=100	109.5	122.7	125.4	137.4	137.7	138.0	139.0	..	..	126.0
Employment Total (6)	10,000	4,172	4,284	4,312	4,539	4,489	4,425	4,367	4,548	..	4,457
Agricultural Employment	,,	1,645	1,607	1,547	1,767	1,625	1,603	1,610	1,757	..	1,685
Non-Agricultural Employment	,,	2,527	2,677	2,765	2,772	2,864	2,822	2,757	2,790	..	2,772
Total Unemployment (6)	,,	63	52	56	59	58	59	45	41	..	49
Regular Employee Cash Wage Total (13) Manufacturing	Monthly - yen	18,348	19,259	19,180	23,767	27,109	18,329	17,659	..	..	16,475
Regular Employees Real Wage Indices (13) Manufacturing	,,	108.9	109.3	112.8	138.9	158.2	105.4	102.5	..	..	96.4
Wage Earners Household Budget (All Cities) (6)											
Income	Monthly - yen	30,776	32,664	34,663	43,170	39,565	33,606	32,217	32,600	..	37,447
Expenditure	,,	27,543	28,946	30,638	32,661	33,838	30,442	28,670	30,836	..	29,921
Consumer Standards (10)											
All Cities	1955 F.Y.=100	105.2	109.8	116.9	123.0	124.9	114.3	113.7	116.8	..	113.4

Source: (1) Finance Ministry. (2) Bank of Japan. (3) Ministry of Postal Services. (4) Tokyo Clearing House. (5) Tokyo Stock Exchange. (6) Statistics Bureau, Prime Minister's Office. (7) The Oriental Economist. (8) Ministry of International Trade & Industry. (9) Ministry of Construction. (10) Economic Planning Agency. (11) Transportation Ministry. (12) Japanese National Railways. (13) Labor Ministry.

Notes: * End of 1955 & 1956 Fiscal year. ** New version of Dow-Jones average is in effect since January, 1959. For the continuity of indexes, however, *The Oriental Economist* carries the old version re-calculated and adjusted from the new version. *** Corresponding months a year ago. ▲ Revised at source.

2. Treasury Accounts with the Public

(In ¥100,000,000) (Ministry of Finance.)

Items	Fiscal 1958					Fiscal 1959					Fiscal 1958
	Apr.—June	July—Sept.	Oct.—Dec.	Jan.—Mar.	Total	Apr.—June	July—Sept.	Sept.	Oct.	Nov.	Nov.
General Account											
Revenue											
Taxes	2,422	2,563	2,485	2,681	10,151	2,620	2,880	973	753	760	642
Monopoly	405	314	211	246	1,176	396	344	102	64	63	49
Others	156	83	115	105	459	193	105	34	38	35	33
Total	2,983	2,960	2,811	3,032	11,786	3,329	3,329	1,109	855	858	724
Expenditure											
Security Forces	106	150	126	124	506	103	116	47	51	21	66
Defense Agency	344	207	354	254	1,159	395	231	82	88	84	18
Public Works Expenditure	315	203	345	312	1,175	230	235	66	68	47	77
Local Finance Equalization Grants	1,057	614	613	282	2,566	1,171	724	619	92	495	465
Compulsory Education Expenditure	242	194	288	228	952	261	192	60	62	63	58
Others	▲1,072	977	1,367	925	4,397	1,137	913	295	383	358	314
Total	▲3,136	2,345	3,093	2,125	10,755	3,297	2,411	1,169	744	1,068	998
Balance	⊣ 153	615	⊣ 282	907	1,031	⊣ 88	918	⊣ 60	111	⊣ 210	⊣ 274
Special Accounts and Others											
Foodstuff Control	1,000	⊣ 329	⊣ 1,411	804	64	953	⊣ 445	23	⊣ 872	⊣ 555	⊣ 378
Trust Funds Bureau	⊣ 423	67	⊣ 295	147	⊣ 504	⊣ 214	32	47	⊣ 172	⊣ 116	⊣ 61
Industrial Investment	14	52	⊣ 19	⊣ 90	⊣ 43	⊣ 44	30	53	⊣ 26	⊣ 15	⊣ 10
Road Improvement	▲⊣ 24	—	—	—	—	⊣ 187	⊣ 161	⊣ 47	⊣ 71	⊣ 54	⊣ 52
National Railways and Nippon Telegraph & Tel. Public Corporation	⊣ 73	116	⊣ 236	316	123	⊣ 97	181	64	37	25	33
Finance Corporation	⊣ 298	⊣ 288	⊣ 399	⊣ 310	⊣ 1,295	⊣ 310	⊣ 255	⊣ 125	⊣ 92	⊣ 101	⊣ 107
Others	▲⊣ 223	136	⊣ 156	275	64	⊣ 147	356	79	⊣ 7	113	⊣ 42
Total	▲⊣ 27	⊣ 246	⊣ 2,516	1,142	⊣ 1,591	⊣ 46	⊣ 262	94	⊣ 1,203	⊣ 703	⊣ 533
Adjustment Items	⊣ 67	⊣ 28	26	52	⊣ 15	⊣ 118	⊣ 8	⊣ 13	41	⊣ 31	47
Foreign Exchange	⊣ 327	⊣ 572	⊣ 686	⊣ 350	⊣ 1,935	⊣ 473	⊣ 411	⊣ 120	⊣ 192	⊣ 174	⊣ 255
Balance	⊣ 574	⊣ 231	⊣ 3,456	1,751	2,510	⊣ 725	237	⊣ 99	⊣ 1,243	⊣ 1,118	⊣ 1,109

3. Monthly Report of All Banks

(September 1959 Excluding Bank of Japan)
(In million yen) (Bank of Japan)

	All Banks							Trust Account (16)
	Debenture Issuing Banks (3)	City Banks (13)	Local Banks (64)	Trust Banks (6)	Total (86)	Leftover from Pre. mo. (86)	Month-end, previous year (87)	
Deposits								
Current Deposits	20,092	774,909	205,619	55,618	1,056,238	1,040,263	1,259,770	—
Ordinary Deposits	7,551	670,281	418,513	25,768	1,122,114	1,104,292	1,007,258	—
Deposits at Notice	34,445	333,260	103,128	49,269	520,103	459,939	446,637	—
Time Deposits	14,946	2,282,148	1,285,745	79,463	3,662,306	3,568,915	2,972,955	—
Special Deposits	3,876	180,375	58,494	13,104	255,850	239,770	239,998	—
Instalment Savings	—	47,568	130,374	3,204	181,144	179,246	166,152	—
Deposits for Tax Payment	332	42,141	2,981	246	15,703	12,777	9,230	—
Deposits of Gov't and Gov't Agencies	511	124,398	—	—	124,910	127,767	104,774	* 239,439
Other Deposits	100	1,025	—	—	1,126	1,009	925	** 327,913
Total	81,855	4,426,109	2,204,859	226,673	6,939,498	6,733,981	6,207,703	—
Borrowed Money	20,220	456,487	4,292	7,164	488,165	495,144	504,490	—
Due to the Bank of Japan Only	6,837	366,845	3,396	2,303	379,383	381,819	484,951	—
Borrowings for Settlement of Import Bills	570	27,999	58	55	28,684	30,242	42,357	—
Call Money	4,635	172,519	10,754	12,714	200,622	215,998	213,189	—
Cash and Deposits								
Cash in Hand	17,440	689,284	165,851	37,093	909,630	873,428	1,165,828	5,954
Deposits with Domestic Money Organs	2,392	21,153	28,623	5,000	57,170	34,389	32,186	4,550
Call Loans	8,460	705	72,259	9,385	90,809	75,669	81,312	70,902
Securities								
Government Bonds	2,015	34,121	8,969	438	45,544	45,364	48,741	24
Local Government Bonds	3,938	54,006	30,588	270	88,804	90,015	84,486	1,828
Foreign Bonds	12	1,736	—	—	1,749	1,582	2,788	—
Corporate Debentures	32,538	473,840	316,540	15,949	838,869	822,536	641,298	5,918
Stocks	14,893	102,988	35,086	7,088	160,057	156,585	136,478	6,672
Other Bonds	324	648	1,540	5,867	1,380	7,338	5,077	25
Total	53,723	667,343	392,724	29,615	1,143,407	1,123,421	918,872	14,471
Advance								
Discount Bills	15,502	1,362,749	510,474	101,258	1,989,984	1,906,236	1,654,781	12,889
Bank Acceptance Bills	—	1,211	13,544	10	14,766	17,822	18,716	—
Commercial Bills	15,502	1,360,806	495,431	101,244	1,972,985	1,886,040	1,633,590	—
Documentary Bills	—	731	1,498	5	2,232	2,373	2,474	—
Advances against Guarantee	690,433	2,368,429	1,229,439	96,446	4,387,749	4,337,002	3,813,173	520,926
Loans on Bills	56,341	2,301,196	1,171,135	93,704	3,622,377	3,584,108	3,199,162	133,517
Loans on Deeds	634,049	28,296	42,383	1,969	706,689	696,520	564,421	139,200
Overdrafts	42	38,937	15,921	772	55,673	56,373	49,588	—
Loans for Settlement of Import Bills	753	42,485	796	476	44,512	45,414	62,383	—
Total	706,689	3,773,665	1,740,710	198,180	6,419,246	6,288,653	5,530,338	533,815

Note : * Money in trust total. ** Loan trust. Figures in parentheses denote the number of banks surveyed.

4. Bank of Japan Ten-day Report

(In million yen)

(Bank of Japan)

Items	1959			1958
	Nov. 10	Nov. 20	Nov. 30	Oct. 30
LIABILITIES				
Bank Notes Issued	740,456	739,102	842,316	713,311
Bankers' Deposits	50,703	90,219	25,592	6,429
Government Deposits	47,645	45,969	46,045	55,550
Other Deposits	13,465	13,609	12,658	13,633
Reserves Against Contingencies	46,028	46,028	46,028	40,809
Other Liabilities	59,201	62,697	38,233	75,425
Capital Stock	100	100	100	100
Reserve Funds	25,486	27,115	27,115	23,527
Total	983,087	1,024,842	1,038,090	928,788
ASSETS				
Bullion	25,521	25,521	25,521	447
Cash	7,709	8,737	8,149	6,996
Discounted Bills	51,098	54,240	46,815	45,776
Loans	221,441	193,417	196,338	281,662
Foreign Exchange Loans	—	—	—	—
Loans to Gov't	—	—	—	—
Government Bonds	461,403	523,713	539,541	416,797
Foreign Ex. Accounts	176,486	178,569	178,821	109,930
Agencies Accounts	12,773	13,924	15,494	16,893
Other Assets	26,654	26,719	27,408	50,284
Total	983,087	1,024,842	1,038,090	928,788

5. Outstanding Loans to Industries by All Banks

(In million yen)

(Bank of Japan)

End of Month	August 1959			September 1959		
	Loans Total	For Equipments	For Co. of ¥10 Million or less	Loans Total	For Equipments	For Co. of ¥10 Million or less
Manufacturing total	3,040,868	429,160	786,077	3,098,539	437,727	808,544
Foodstuffs	242,272	14,582	114,286	243,803	14,845	114,701
Textiles	620,204	60,394	200,789	639,054	60,297	212,471
Wood and Wood Products	113,042	3,553	95,016	115,536	3,689	96,882
Paper & Related Products	180,177	37,606	28,195	181,792	37,579	28,953
Printing & Publishing	60,054	6,161	21,333	61,468	6,385	22,124
Chemicals	387,502	92,612	42,320	392,305	92,596	42,702
Glass & Ceramics	111,334	20,320	20,997	113,490	21,012	21,714
Iron & Steel	334,337	83,080	26,244	337,154	85,843	26,919
Non-ferrous Metals	87,792	11,470	16,669	89,897	11,792	16,600
Machinery	153,058	10,890	65,741	156,907	11,287	67,280
Electric Machinery & Tools	237,910	32,171	27,470	243,877	33,697	27,654
Trans. Machinery & Tools	216,172	20,866	26,090	220,866	21,895	27,361
Agriculture	18,257	808	17,867	18,338	824	18,041
Forestry & Hunting	12,869	106	10,414	13,009	77	10,556
Fishery	77,329	23,182	22,624	78,536	23,408	23,047
Mining	114,639	33,132	15,802	144,265	33,634	15,968
Metal Mining	35,273	8,862	1,175	34,497	8,966	1,090
Coal Mining	91,013	18,119	9,226	91,337	18,445	9,379
Construction	151,733	4,472	60,926	156,225	4,807	62,922
Wholesale & Retail	1,818,917	27,609	870,331	1,873,586	29,145	897,180
Wholesale	1,641,645	15,136	745,532	1,689,722	16,027	768,529
Retail	117,271	12,473	124,798	183,864	13,118	128,651
Finance Insurance	98,575	215	12,156	100,930	217	12,644
Real Estate	45,240	15,543	19,668	46,536	15,965	19,566
Trans. & Communications	321,404	159,798	36,456	322,701	160,655	36,283
Railways	61,932	23,140	418	61,837	23,062	253
Shipping	158,403	109,658	13,853	159,063	109,814	13,468
Public Utilities	254,801	240,109	370	257,990	242,899	302
Services	126,444	36,640	81,391	129,804	38,124	38,173
Local Public Corporation	41,606	13,960	27,645	39,366	12,735	—
Others	79,497	5,434	79,497	83,733	5,601	83733
Total	6,232,184	990,175	2,013,583	6,363,564	1,005,826	2,071,963

6. Tokyo-Osaka Call-Money and Its Rates

(Bank of Japan)

Year & Month	Tokyo			Osaka		
	Rate		Balance at the End of the Month (million yen)	Rate		Balance at the End of the Month (million yen)
	Over-Month-End (sen)	Uncon-ditional (sen)		Over-Month-End (sen)	Uncon-ditional (sen)	
1959: June	2.40	2.35	141,953	2.40	2.30	34,559
July	2.30	2.30	161,147	2.30	2.30	43,047
Aug	2.30	2.30	147,850	2.30	2.30	39,821
Sept.	2.30	2.30	150,306	2.30	2.30	37,456
Oct.	2.30	2.30	205,999	2.30	2.30	45,792
Nvo.	2.30	2.30	247,674	2.30	2.30	57,056
1958: Nov.	22.5	2.15	146,740	2.25	2.15	35,622

7. Postal Savings & Postal Transfer Savings

(In million)

(Ministry of Postal Services)

End of Month	Postal Savings			Postal Transfer Savings	Total
	Receipts	Payments	Balance		
1959: Mar.	81,245	71,494	853,841	8,673	862,514
Apr.	79,289	80,343	852,786	7,501	860,287
May	63,136	62,933	852,989	9,718	862,707
June	75,607	58,510	870,086	8,354	878,400
July	▲92,911	▲66,039	▲896,958	9,220	▲906,178
Aug.	63,634	59,729	900,051	7,713	907,764
1958: Aug.	54,486	52,107	782,173	7,504	789,678

8. Bank Clearings

(In billion yen)

(Tokyo Clearing House)

Year & Month	All Clearing		Tokyo		Osaka	
	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
	(1,000)		(1,000)		(1,000)	
1959: Feb.	13,416	4,371	5,340	2,052	2,760	957
Mar.	14,804	5,181	5,953	2,465	3,013	1,087
Apr.	14,220	4,741	5,744	2,256	2,923	1,013
May	14,452	4,311	5,558	2,052	2,959	929
June	16,781	4,796	6,601	2,276	3,396	1,043
July	15,686	4,608	6,372	2,187	3,169	993
Aug.	14,976	4,541	5,932	2,146	3,110	978
Sept.	15,187	5,041	6,047	2,468	3,129	1,017
Oct.	15,673	4,906	6,304	2,376	2,238	1,012
1958: Oct.	14,078	5,010	5,659	2,326	2,857	1,115

9. Average Yields of Debentures

(Industrial Bank of Japan)

Month	Gov't Bonds	Local Gov't Bonds	Financial Debenture		Industrial Debenture
			Interest Bearing	Discount	
1959: Feb.	6.324	7.620	7.621	6.643	7.920
Mar.	—	7.712	7.621	6.643	7.916
Apr.	—	7.720	7.621	6.643	7.891
May	6.324	7.693	7.621	6.643	7.893
June	—	7.720	7.621	6.643	7.894
July	—	7.720	7.621	6.643	7.900
Aug.	6.324	7.720	7.621	6.643	7.909
Sept.	—	7.720	7.621	6.643	7.905
Oct.	—	7.709	7.621	6.643	7.902
1958: Oct.	—	7.720	7.621	6.643	7.898

Note: Table 6: How to Compute Per Diem Interest: In addition to the usual annual rate in percentage, computing interest by per diem rates is widely in vogue in Japan. This rate is expressed in sen (1/100 yen) as interest per day on ¥100 of principal. To find the usual annual rate from the per diem rate, multiply the latter by 365. For example, a per diem rate of 1.0 sen on a principal ¥100 gives an interest of 365 sen or ¥3.65 per year or 3.65% per annum.

10. Government Bonds

(In million yen) (Bank of Japan)

End of Month	Government Bonds			Foreign Exchange Fund Bills			Food Notes			Outstanding Amounts of Corporate Debentures
	Issue	Redemption	Balance	Issue	Redemption	Balance	Issue	Redemption	Balance	
1959: June	4,169	6,155	400,010	134,030	151,015	186,030	197,000	205,843	197,603	..
July	703	199	400,514	132,445	133,886	184,589	53,023	603	250,023	..
Aug.	723	176	401,060	72,000	75,589	181,000	157,032	213,895	193,160	..
Sept.	69,306	13,814	456,552	131,000	139,994	172,006	66,005	62,113	197,052	..
Oct.	605	1,119	456,038	84,002	47,006	209,002	258,015	148,886	306,181	..
1958: Oct.	3,065	620	404,930	95,000	63,004	129,004	164,023	57,002	214,035	..

11. Corporate Debentures & Public Corporation Bonds

(In million yen) (Industrial Bank of Japan)

End of Month	Corporate Debentures									Public Corporation Bonds		
	Banking Bonds			Industrial Bonds			Total					
	Issue	Redemption	Balance	Issue	Redemption	Balance	Issue	Redemption	Balance	Issue	Redemption	Balance
1959: May	26,428	11,050	706,765	14,250	2,621	456,387	46,331	13,958	1,380,050	5,652	286	216,917
June	26,041	11,480	721,325	15,365	2,720	469,020	45,793	14,221	1,411,622	4,386	20	221,283
July	27,283	12,740	735,868	14,360	3,073	▲480,311	47,965	15,960	1,443,623	6,322	146	227,459
Aug.	28,483	13,698	750,653	13,770	3,411	▲490,697	48,710	17,482	1,474,845	6,456	372	233,544
Sept.	31,955	15,634	766,974	16,100	4,984	501,795	54,836	21,329	1,508,383	6,780	710	239,613
Oct.	35,899	17,497	785,376	15,745	4,025	513,531	48,498	21,947	1,544,951	6,853	424	246,043
1958: Oct.	34,664	20,527	601,067	9,900	3,487	378,191	44,564	24,015	1,167,101	4,973	400	187,842

12. Contracts & Investments of Mutual Life Insurance Companies

(In million yen) (Mutual Life Insurance Association)

End of Month	Mid-Month Contract Amounts	End-Month Contract Amounts	Loans Total	Call Loans	Negotiable Securities			Real Estate	Cash & Deposits	Others
					Total	Debentures	Stocks			
1959: June	146,094	4,681,415	294,837	9,369	122,441	9,036	111,299	40,851	3,776	6,392
July	208,543	4,783,991	301,311	8,430	124,514	6,891	113,038	41,749	3,185	7,111
August	138,767	4,851,422	310,461	6,367	126,174	9,873	114,430	42,678	3,372	7,018
September	201,397	4,952,570	317,091	3,679	130,533	10,094	118,567	43,754	4,968	8,096
1958: September	155,578	4,002,209	224,220	4,924	113,372	8,735	102,652	35,636	3,965	6,925

13. Contracts & Investments of Non-Life Insurance Companies

(In million yen) (Non-Life Insurance Association)

End of Month	Mid-Month Contract Amounts	End-Month Contract Amounts	Loans Total	Call Loans	Negotiable Securities			Real Estate	Deposits	Cash	Asset Total (Inc. Others)
					Total	Debentures	Stocks				
1959: June	2,035,975	11,425,030	22,436	4,290	66,358	3,427	58,173	17,352	29,740	618	159,525
July	1,921,621	11,601,863	22,658	3,900	67,125	3,576	58,753	17,533	33,334	550	160,359
Aug.	1,922,767	11,730,147	22,951	3,669	68,113	3,917	59,367	17,714	30,188	460	161,721
Sept.	2,006,339	11,882,734	22,960	2,589	68,961	4,105	60,235	17,901	32,753	555	164,366
1958: Sept.	1,736,695	9,896,941	21,275	1,733	59,424	2,163	53,877	16,902	28,120	760	146,469

14. Stock Issue Plan & Paid-Up Capital

(In million yen) (Ministry of Finance)

Year & Month	Stock Issue Plan						Paid-Up Capital					
	Over ¥50 million		Under ¥50 million		Total		Over ¥50 million		Under ¥50 million		Total	
	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital
1959: April	27	16,495	355	6,912	382	23,407	36	16,781	398	7,767	434	24,548
May	24	8,910	325	4,580	349	13,490	14	5,987	312	6,212	326	12,199
June	33	26,643	395	11,353	428	37,995	27	11,067	356	8,594	383	19,661
July	28	30,317	391	10,253	419	40,570	28	18,081	391	7,044	419	25,125
August	43	16,630	346	8,150	389	24,780	29	14,998	333	10,000	362	24,998
September	41	37,032	390	11,031	431	48,063	22	10,156	344	8,663	366	18,819
1958: September	14	5,578	327	3,697	341	9,275	14	3,454	331	3,120	325	6,574

15. Tokyo Wholesale Price Indices

(1952=100) (Bank of Japan)

Year & Month	Total Average	Metal & Machinery	Textiles	Agricultural Products	Fuels	Building Materials	Chemical Products	Sundries	By Uses		
									Producer's Goods	Capital Goods	Consumer's Goods
1959: July	98.6	100.1	74.4	106.1	103.5	127.3	78.2	90.5	98.3	112.6	99.1
August	99.7	100.2	77.8	107.0	103.7	128.5	78.2	91.1	99.3	113.1	100.3
Sept.	100.1	100.8	78.0	107.4	103.8	130.3	78.4	90.7	99.5	113.9	100.9
Oct.	101.0	100.9	79.2	108.2	104.2	134.2	78.7	90.1	100.2	115.4	102.1
Nov.	101.8	101.2	80.2	108.5	108.4	133.7	79.0	90.9	100.6	115.5	103.4
1958: Nov.	97.3	95.2	72.0	106.0	108.8	125.2	78.5	86.5	95.8	109.4	99.3

Notes: Food Notes in Table 10 do not include Korean food notes. Public Corporation Bonds are the total of National Railways Bond and Telephone & Telegraph Corporation Bonds. ▲ Revised at source.

16. Tokyo Retail Price Indices

(1952=100) (Bank of Japan)

Year & Month	Total Average	Agricultural Products	Textile Products	Metal Products	Wood Products	Fuel	Miscellaneous	*Total Average	Total Average (1934-6=100)
1959: June	101.8	110.4	82.1	93.8	104.8	121.4	96.5	99.8	30,589.3
July	102.2	111.1	82.3	93.8	104.8	121.4	96.5	99.9	30,709.5
August	104.5	115.4	82.3	93.3	104.8	121.4	96.7	99.9	31,400.6
September	103.1	112.0	83.3	95.3	104.8	121.4	97.1	100.2	30,979.9
October	104.5	114.1	84.6	95.2	105.1	122.8	97.3	100.8	31,400.6
November	103.2	111.5	84.7	95.2	105.3	124.2	97.2	101.3	31,009.9
1958: November	103.1	113.0	82.7	94.2	105.3	121.0	95.1	100.0	3,0979.9

17. Consumer Price Indices

(1955=100) (Bureau of Statistics, Prime Minister's Office)

		Total Average	Food	Staple Food	Nonstaple Food	Housing	Light & Fuel	Clothing	Miscellaneous
All Cities	1959: May	102.9	99.5	101.1	98.5	119.9	106.0	94.2	109.5
	June	103.7	101.0	101.0	100.9	120.5	105.0	94.9	109.1
	July	103.8	101.2	101.0	101.3	120.8	104.7	94.8	109.2
	August	105.4	104.3	100.9	106.4	121.2	104.7	94.7	109.3
	September	104.4	102.1	101.0	102.8	122.1	105.4	95.8	108.6
	October	105.9	104.3	101.2	106.1	123.7	106.5	97.7	108.8
	1958: October	104.3	103.9	101.0	105.6	116.8	106.6	96.5	105.6
Tokyo	1959: May	105.4	102.7	104.8	101.7	125.6	102.1	97.0	109.7
	June	105.1	102.0	104.6	100.8	126.3	101.5	97.1	109.6
	July	105.3	102.7	104.6	101.8	126.3	101.3	97.0	109.2
	August	107.1	106.4	104.4	107.3	126.6	101.1	97.6	109.1
	September	106.5	104.8	104.5	104.9	127.7	101.1	99.5	108.8
	October	107.8	106.4	104.5	107.2	128.5	101.7	102.4	109.7
	November	107.9	105.6	104.6	106.1	129.5	103.4	104.5	109.1
	1958: November	106.9	106.9	104.6	108.0	120.0	103.7	101.7	106.7

18. Labor Population Survey

(In 10,000) (Labor Ministry)

Year & Month	Total Population	Population 15 years old and over					Not in Labor Force	Agriculture & Forestry		Non-Agricultural Industry	
		Total 1)	Labor Force: Total of the following three columns	Labor Force: Agriculture & Forestry	Labor Force: Non-Agricultural Industries	Labor Force: Totally Unemployed		Not at Work	At Work	Not at Work	At Work
1959: May	9,267	6,438	4,541	1,767	2,774	54	1,840	16	1,751	26	2,747
June	9,275	6,459	4,539	1,766	2,772	59	1,856	16	1,750	30	2,742
July	9,283	6,468	4,489	1,625	2,864	58	1,912	21	1,604	42	2,822
Aug.	9,289	6,473	4,425	1,603	2,822	59	1,985	22	1,581	43	2,779
Sept.	9,297	6,488	4,367	1,610	2,757	45	1,969	..	..	..	..
Oct.	9,305	6,498	4,548	1,757	2,790	41	1,904	..	..	..	..
1958: Oct.	9,208	6,348	4,457	1,685	2,772	49	1,835	17	1,668	25	2,747

19. Labor Disputes & No. of Participants

(1,000 Participants) (Labor Ministry)

Year & Month	Dispute Total		Accompanied by Disputes							
			Total		Strikes		Work Slowdown		Business Control	
	No. of Cases	No. of Participants	No. of Cases	No. of Participants	No. of Cases	No. of Participants	No. of Cases	No. of Participants	No. of Cases	No. of Participants
1959: March	298	(186)	180	739	146	413	76	359	1	60
April	280	(121)	155	222	136	196	34	46	1	60
May	189	(75)	79	30	73	27	17	18	1	60
June	278	(180)	161	186	117	85	62	128	2	100
July	294	(142)	144	183	117	158	34	31	2	107
August	214	(86)	81	165	65	124	23	43	2	77
September	173	(70)	88	72	48	21	46	65	2	77
1958: September	263	(130)	123	149	86	100	50	59	2	316

20. Mining-Manufacturing Indices

(1955=100) (Statistics Bureau, MITI)

Year & Month	Composite	Public Utilities	Mining-Manufacturing	Mining	Manufacturing	Iron & Steel	Non-ferrous Metals	Machinery	Ceramics	Chemicals	Oil & Coal	Rubber	Hides & Leathers	Paper & Pulp	Textiles
1959: Mar.	176.8	154.0	178.6	101.7	185.0	146.5	151.3	273.7	150.4	169.1	190.8	175.6	120.2	157.4	128.0
April	167.3	152.5	168.4	109.7	173.3	158.7	169.5	279.1	149.0	184.2	190.7	185.1	125.4	152.0	131.9
May	172.8	156.7	174.0	117.8	178.7	173.5	173.6	295.3	159.3	174.9	198.6	188.0	128.8	158.2	131.4
June	178.1	149.9	180.3	119.3	185.4	174.9	173.1	318.1	155.6	174.0	198.4	190.9	127.2	159.1	138.3
July	179.6	161.6	181.0	119.3	186.2	180.0	175.3	313.6	158.1	172.3	190.5	200.4	126.0	166.1	141.1
Aug.	179.2	155.6	181.0	111.1	186.9	177.6	172.7	318.7	160.2	173.0	212.2	192.0	124.9	164.3	136.6
Sept.	▲186.0	154.7	▲188.4	▲120.9	▲194.0	▲180.5	▲176.4	▲342.1	▲165.1	177.3	▲200.7	▲206.6	▲131.9	▲167.7	▲151.2
Oct.	188.5	163.1	190.5	122.3	196.2	189.8	179.9	344.3	174.3	178.5	231.2	212.3	131.5	174.3	144.9
1958: Oct.	148.7	142.5	149.2	125.7	151.2	134.7	141.5	232.7	147.3	157.5	171.0	159.9	123.5	132.5	121.2

Notes: * except perishable vegetables. Figures in parentheses in Table 19 are not in 1,000. Figures in parentheses in Table 20 are the numbers of companies surveyed. ▲ Revised. 1) 15 years and over.

21. Production by Major Items

Items	In	1959 August	1959 September	1959 October
Energies				
Electricity	Mil. KWH	7,010	6,964	7,323
Coal	1,000 Tons	3,675	4,080	4,144
Cokes	Tons	876,254	862,068	915,878
Gas (city use)	1,000 CM	265,604	265,640	295,946
Crude Oil	Kl	38,597	39,065	42,406
Natural Gas	1,000 CM	39,979	42,414	41,438
Gasoline	Kl	428,401	398,543	463,677
Petroleum	,,	1,019,534	933,946	1,105,962
Lubricants	,,	40,730	43,201	46,772
Kerosene	,,	124,492	117,842	150,822
Light Oil	,,	141,203	138,515	160,319
Minerals				
Gold Ores	KG	628	691	678
Silver Ores	,,	16,157	18,504	18,134
Copper Ores	Tons	6,960	7,240	7,095
Lead Ores	,,	3,022	2,951	2,966
Zinc Ores	,,	12,115	11,754	11,871
Sulphuric Iron	1,000 Tons	286	290	288
Iron Ores	Tons	115,582	130,074	119,643
Sulphur	,,	17,245	18,816	20,413
Lime Stone	1,000 Tons	2,512	2,743	2,798
Non-ferrous Metals				
Electric Gold	KG	872	893	754
Electric Silver	,,	24,589	26,304	24,987
Electric Copper	Tons	17,060	17,088	17,144
Lead	,,	4,829	4,841	4,037
Zinc	,,	13,887	13,728	13,458
Electric Tin	KG	124,000	153,797	75,697
Quick Silver	,,	51,000	54,355	66,818
Aluminium	Tons	8,588	8,708	8,581
Rolled Aluminium	,,	8,110	8,467	8,690
Rolled Copper	,,	15,717	6,120	17,770
Electric Cables	,,	13,124	14,106	14,850
ron & Steel				
Pig Iron	Tons	792,972	804,500	891,890
Ferro-alloys	,,	33,986	33,871	36,277
Steel	,,	1,493,096	1,456,738	1,565,148
Open Hearth Steel	,,	1,117,897	1,072,930	1,151,794
Converter Steel	,,	96,131	114,285	141,148
Electric Furnace Steel	,,	279,068	269,523	272,206
Forged Steel	,,	14,148	14,102	14,278
Cast Steel	,,	24,781	24,791	24,426
Hot Rolled Steel Materials	,,	1,069,805	1,105,769	1,181,134
Steel Shapes (medium)	,,	35,776	30,465	35,092
Steel Bars (small)	,,	13,670	12,594	16,481
Wire Rod	,,	70,183	76,621	85,023
Steel Sheet (thick)	,,	214,602	228,150	227,962
Steel Sheet (thin)	,,	60,534	59,483	64,531
Steel Band (wire)	,,	202,180	196,940	233,059
Rolled Special Steel Materials	,,	73,143	73,227	73,686
Steel Tube	,,	82,055	81,986	84,359
Cold Rolled Steel Sheet	,,	100,939	112,277	115,400
Galvanized Steel Sheet	,,	64,964	71,362	76,751
White Sheet	,,	29,328	26,952	20,292
Machinery & Machine Tools				
Steam Boiler	T/H	408	1,088	920
Steam Turbine	KW	2,112	75,000	74,800
Water Turbine	,,	—	162,020	15,820
Gasoline Engine	,,	57,434	67,136	57,067
Oil Burners	,,	30,284	34,408	37,221
Diesel Engines	,,	66,550	66,878	70,684
Bearings	Tons	1,887	1,943	1,940
Transmitter	,,	784	953	892
Machine Tools	,,	2,749	3,125	2,589
Rolling Machine	,,	7,764	7,712	9,566
Crane	,,	1,817	1,804	1,837
Winches	,,	1,140	1,234	1,170
Conveyor	,,	2,601	3,178	2,600
Pump	,,	2,608	2,665	2,900
Refrigerator	,,	927	956	886
Spinning Machine	Units	938	931	877
Weaving Machine	,,	3,458	3,106	3,153
Sewing Machine	1,000 Units	225	227	184
Cultivator	Units	4,897	6,498	6,531
Hand Tractor	,,	7,528	7,413	10,021

Items	In	1959 August	1959 September	1959 October
Thrasher	Units	25,155	31,144	27,513
Hulling Machine	,,	6,454	7,739	6,448
Rice-Wheat Cleaning Machine	,,	6,201	9,079	9,460
Alternating Current Motor	KW	318,077	354,925	387,003
Mercury Rectifier	,,	22,366	24,487	19,771
Transformer	1,000 KVA	1,427	2,219	986
Electric Fan	Units	106,913	110,122	103,620
Electric Washer	,,	106,393	99,228	99,503
Electric Refrigerator	,,	32,697	42,979	57,067
Telephone	,,	79,691	85,221	93,646
Automatic Switchboard	Circuits	41,632	49,582	55,902
Radio Set	1,000 Sets	936	1,008	1,056
Television Set	Sets	252,258	266,572	290,609
Electric Tube for Receiving	1,000 Pcs.	10,734	11,288	11,869
Industrial Meter	Units	8,194	10,967	11,090
Electric Bulb	1,000 Pcs.	13,822	14,143	14,189
Special Electric Bulb	,,	8,954	8,100	8,859
Passenger Car	Units	5,729	6,443	7,218
Bus	,,	418	482	646
Small Four-wheeler Chassis	,,	10,722	11,671	12,881
Truck Chassis	,,	4,222	3,842	3,500
Three-wheel Truck	,,	13,632	13,004	16,171
Motorcycle	,,	12,642	12,561	13,600
Bicycle	,,	239,824	240,043	232,698
Watch	1,000 Pcs.	844	927	901
Camera	Pcs.	161,518	176,900	173,000
Binoculars	,,	123,023	125,776	127,000
Textiles				
Rayon Yarn	Tons	9,939	927	901
Rayon Staple	,,	22,601	176,900	173,000
Synthetic Textile	,,	7,126	125,776	127,000
Vinylon	,,	1,265	1,461	1,506
Nylon	,,	2,723	2,777	2,414
Cotton Yarn	,,	33,906	44,663	41,312
Woollen Yarn	,,	9,570	10,983	10,746
Bast Fibre Yarn	,,	4,329	4,570	4,950
Rayon Staple Yarn	,,	16,743	18,731	17,710
Synthetic Fibre Yarn	,,	4,375	5,240	5,794
Cotton Textile	1,000 sq. m.	215,081	240,993	222,631
Woollen Textile	,,	23,856	24,404	21,769
Silk Textile	,,	19,040	20,459	21,289
Bast Fibre Textile	,,	6,780	7,383	7,289
Rayon Textile	,,	60,990	62,456	63,128
Rayon Staple Textile	,,	79,273	81,232	75,019
Synthetic Fibre Textile	,,	19,968	21,676	22,024
Paper & Pulp				
Pulp	Tons	253,873	259,126	271,125
Western-Style Paper	,,	184,409	187,365	193,811
Hard Board	,,	111,953	111,806	121,211
Chemicals				
Ammonium Sulphate	Tons	219,389	200,551	190,552
Superphosphate of Lime	,,	138,427	146,114	156,160
Carbide	,,	78,548	77,115	84,846
Chemical Fertilizer	,,	141,385	156,401	160,963
Calcium Cyanamide	,,	23,262	27,677	29,715
Urea	,,	30,085	35,383	44,632
Sulphuric Acid	,,	339,172	345,718	350,963
Caustic Soda	,,	63,893	62,965	68,189
Soda Ash	,,	38,478	38,158	40,555
Soap	,,	33,996	32,678	30,950
Paint	,,	23,701	24,798	25,100
Film	1,000 sq. m.	909	959	968
Cement & Ceramics				
Cement	1,000 Tons	1,419	1,512	1,661
Sheet Glass	1,000 Boxes	938	861	974
Porcelain & Ceramics	Tons	52,835	54,572	45,773
Glass Products	,,	39,669	36,803	37,000
Fire Brick	,,	100,958	101,509	103,600
Miscellaneous				
Automobile Tire	Tons	4,529	4,830	4,855
Leather	,,	5,606	6,425	7,003
Match	Match tons	36,043	37,256	39,500
Pencil	1,000 Gross	590	637	610
Metal Toy	1,000 Dz.	1,537	1,427	1,535

Note: ▲ Provisional figures. ▲ Revised.

22. Machinery Orders (In million yen) (Economic Planning Board)

Items	1959 March	April	May	June	July	August	September	1958 September
By Products								
Prime Movers	18,907	7,279	6,234	8,584	4,419	8,187	9,727	15,139
Heavy Electric Machinery	14,177	11,059	10,674	11,930	12,131	12,379	17,330	11,895
Communication Apparatus	3,823	5,180	2,558	5,239	4,088	4,283	5,622	5,173
Industrial Machinery	23,072	21,408	20,656	20,853	25,576	23,276	27,067	19,976
Machine Tools	1,987	1,835	1,577	2,151	2,158	2,329	2,951	1,315
Rolling Stocks	1,791	886	2,551	2,019	11,825	2,495	1,578	309
Ships	6,166	2,193	4,962	3,200	11,505	4,623	16,049	29,852
Total of the Above	69,924	49,840	49,212	53,976	71,702	57,552	80,324	79,659
Iron & Steel Frames	2,217	2,373	1,928	1,402	1,905	1,624	2,293	1,643
Bearings	1,863	1,797	2,143	2,192	2,369	2,580	2,247	1,370
Electric Wires & Cables	8,277	7,340	7,498	7,887	7,500	7,500	9,593	4,873
Total	12,357	11,510	11,569	11,481	11,774	11,704	14,133	7,886
By Customers								
Foreign Sources	9,237	2,431	6,422	2,121	7,949	6,188	11,355	29,119
Government	4,899	7,183	3,715	7,112	15,635	7,716	8,115	7,807
Private	49,051	34,921	33,070	38,576	41,937	36,486	52,270	37,771
Manufacturing	22,954	21,134	19,397	19,136	24,644	23,572	30,443	12,046
Textiles	2,366	2,714	2,206	2,005	4,574	3,636	3,577	1,193
Chemicals	7,098	6,946	5,936	6,558	6,841	7,118	9,229	2,840
Iron & Steel	7,385	6,845	6,180	4,428	7,815	6,145	11,557	4,204
Machinery	2,079	2,238	2,002	3,027	2,871	4,112	3,812	1,457
Shipbuilding	215	345	218	270	170	255	207	390
Others	3,811	2,046	2,855	2,848	2,373	2,306	2,016	1,962
Non-Manufacturing	26,097	13,787	13,673	19,440	17,293	12,914	21,827	25,725
Transportation	2,848	2,212	2,646	3,113	4,548	2,609	9,545	1,059
Electric Power	13,992	4,482	3,546	8,553	3,497	3,569	5,133	17,870
Coal Mining	597	503	665	1,150	691	740	654	1,743
Agriculture, Forestry, Fishery	1,900	2,207	1,731	1,720	1,599	2,001	2,329	1,781
Others	5,760	4,383	5,085	4,904	4,958	3,995	4,166	3,281
Sales Agents	2,484	2,376	2,305	2,511	2,535	2,487	2,849	1,924
Total Orders	65,671	46,911	44,901	50,321	68,056	52,877	74,589	76,621
Orders Outstanding	709,397	714,562	709,487	702,898	721,730	722,563	733,492	734,090
Sales Total	61,434	43,202	54,920	60,010	50,865	53,446	65,990	56,052

23. Total Power Generation & Consumption (10⁶ KWH) (MITI)

Items	1957 Total	1958 Apr.	1959 May	June	July	Aug.	Sept.	1958 Sept.
Total Power Generation	83,103	7,800	8,055	7,743	..	..	..	6,919
Hydraulic Power	58,125	6,274	6,355	5,168	..	..	..	5,363
Thermal Power	24,978	1,526	1,700	2,575	..	..	..	1,556
Generation by Electric Industries	72,517	6,799	7,018	6,727	..	..	..	6,019
Hydraulic Power	52,749	5,719	5,787	4,659	..	..	..	4,884
Thermal Power	19,768	1,080	1,231	2,068	..	..	..	1,135
Generation by Power Companies	65,433	6,004	6,151	6,051	6.457	6,219	6,964	5,282
Hydraulic Power	46 220	4,945	4,940	4,051	4,767	4,351	3,967	4,174
Thermal Power	19,215	1,059	1,211	2,000	1,690	1,868	2,302	1,108
Power from other Sources	7,130	803	885	685	825	791	695	761
National Railways & Household Use	10,330	1,031	1,037	1,015	..	..	..	900
Hydraulic Power	5,282	555	568	508	..	..	..	480
Thermal Power	5,048	446	469	507	..	..	..	420

24. Coal Supply & Demand (1,000 metric tons) (MITI)

Year & Month	Production	Stock Deliveries: Coal Dealers	Large User Factories	Adjustment	Deliveries: Total	Deliveries	of which Exports	Others	Home Consumption	Month-end Stocks: Total	Coal Dealers	Large User Factories
1959: April	3,681	⇔ 261	⇔ 120	⇔ 7	3,413	3,305	0	⇔ 108	3,533	11,144	4.775	6,372
May	3,998	⇔ 485	⇔ 95	⇔ 0	3,513	3,594	0	⇔ 82	3,418	11,727	5,260	6,467
June	4,003	⇔ 434	⇔ 223	⇔ 9	3,590	3,655	6	⇔ 65	3,807	11,938	5,694	6,244
July	4,006	⇔ 126	⇔ 167	⇔ 54	3,826	3,872	5	⇔ 46	3,654	12.218	5,820	6,398
August	3,675	⇔ 164	⇔ 14	⇔ 2	3,841	3,931	0	⇔ 90	3,827	12,068	5,656	6,412
September	4,080	⇔ 107	⇔ 117	⇔ 2	4,185	4,192	—	⇔ 7	4,302	11,844	5,549	6,295
1958: September	4,299	⇔ 215	⇔ 428	⇔ 5	4,088	4,145	31	⇔ 56	3,627	10,749	4,302	6,447

25. Supply & Demand of Pig-iron and Steel Materials (In tons) (MITI)

Year & Month	Pig iron: Production	Deliveries	In Stock	Steel Materials: Steel: Production	Deliveries	In Stock	Special Steel: Production	Deliveries	In Stock
1959: April	727,775	128,722	396,044	816,739	609,691	306,363	63,456	51,028	31,103
May	795,051	137,127	340,625	1,044,196	745,450	324,224	66,941	54,085	29,487
June	783,700	134,991	354,976	1,029,186	771,518	311,468	69,858	53,455	30,687
July	803,079	140,982	368,141	1,033,272	757,164	316,918	69,795	53,776	31.526
August	792,972	140,123	338,412	1,069,805	765,281	340,810	73,143	56,518	32,731
1958: August	616,137	107,164	483,299	749,627	510,078	417,759	43,190	32,908	36,812

Notes: 80 machinery companies together with 18 iron frame, bearing & electric wire companies are surveyed for Table 22. Table 24 does not include import coal. Others in "Demand" column is the balance of sales volume by un-authorized sales agents plus dust coal output. "At Collieries" column includes the coal stocks on the seaboard mines. ▲ Revised at source.
Table In 22, the number of companies surveyed was increased from 80 to 127 retroactively to 1957.

26. Supply & Demand of Textile Goods (In tons for years; 1,000 sq. m. for textile) (MITI)

Year & Month	Cotton Yarn			Rayon Yarn			Staple Fiber Yarn			Cotton Textiles		
	Production	Delivery	Inventory	Production	Delivery	Inventory	Production	Delivery	Inventory	Production	Delivery	Inventory
1959: Apri . . .	38,158	24,878	19,321	9,476	5,814	11,887	15,753	13,278	12,360	235,199	234,082	478,451
Mayl . . .	35,693	22,851	19,841	9,545	6,137	12,411	15,592	14,008	10,607	226,056	231,012	472,643
June. . . .	39,651	24,413	20,239	9,643	6,676	12,422	17,034	14,496	10,036	232,968	238,059	444,149
July	39,331	25,045	20,910	9,895	7,278	12,194	18,396	15,219	9,158	228,533	231,725	429,954
Aug. . . .	32,950	21,968	20,021	9,939	6,982	12,710	17,246	14,459	9,145	215,081	218,503	429,117
Sept. . . .	43,717	27,533	22,331	10,139	7,107	12,968	19,288	15,991	9,711	240,993	241,448	432,868
1958: Sept. . . .	36,423	23,623	23,702	7,387	5,279	10,767	15,566	13,462	16,388	208,796	210,241	489,539

27. Supply & Demand of Paper and Pulp (MITI)

Year & Month	Pulp (long ton)				Paper, Western Style (in ton)				Cardboard & Japanese Style Paper (in ton)			
	Production	For Paper	Deliveries	In Stock	Production	Deliveries	Self-Consumption	In Stock	Production	Deliveries	Self-Consumption	In Stock
1959: Feb. . . .	222,032	127,880	99,097	66,505	164,176	157,694	5,518	54,697	282,132	270,905	12,358	141,689
Mar. . . .	244,584	143,295	100,734	67,060	179,515	176,858	6,422	50,932	309,403	300,258	13,928	72,694
April . . .	233,963	137,915	98,540	64,568	174,791	167,080	5,792	52,851	303,233	286,376	12,873	76,678
May. . . .	245,532	143,204	103,485	63,411	180,008	175,781	5,908	51,170	312,116	300,337	13,328	75,129
June. . . .	245,927	146,607	100,500	62,231	181,527	172,518	5,839	54,340	316,483	298,375	13,594	79,643
July . . .	257,001	148,779	105,482	64,971	188,681	174,079	5,960	62,982	329,087	303,711	13,900	91,119
Aug. . . .	253,873	145,221	108,332	65,291	184,409	172,904	6,075	68,412	324,024	302,851	▲13,660	98,625
Sept. . . .	259,126	147,084	106,088	71,245	184,365	176,667	6,443	72,667	328,032	310,490	13,995	102,172
1958: Sept. . . .	192,615	102,448	93,004	67,305	141,355	149,248	5,266	75,951	245,538	248,327	11,925	118,892

28. Supply & Demand of Soda and Ammonium Sulphate (In metric tons) (MITI)

Year & Month	Ammonium Sulphate			Soda Ash			Caustic Soda		
	Production	Deliveries	In Stock	Production	Deliveries	In Stock	Production	Deliveries	In Stock
1959: January	230,003	245,474	343,659	36,618	35,446	10,414	55,734	45,421	21,681
February	207,393	246,829	296,571	34,957	32,783	11,295	51,783	42,466	21,099
March	237,727	315,447	208,458	35,011	35,570	9,254	56,536	45,961	21,415
April	234,548	217,374	214,487	37,607	35,634	10,356	58,951	48,557	20,674
May	247,557	240,926	211,015	37,504	37,443	9,523	61,636	49,655	21,769
June	236,599	179,341	260,711	36,203	36,973	7,787	60,430	52,758	18,649
July	235,767	176,484	312,187	36,467	33,572	9,153	62,817	50,154	20,323
August	219,389	182,220	340,301	38,478	37,422	8,626	63,893	50,442	22,247
September	200,551	194,074	340,063	38,158	35,589	9,629	63,092	53,576	21,044
1958: September	217,201	166,014	311,262	34,201	31,839	10,738	52,689	43,080	16,621

29. Supply & Demand of Cement & Sheet Glass (MITI)

Year & Month	Cement (in 1,000 tons)				Sheet Glass (in 1,000 boxes)					
	Production	Consumption	Sales	Inventories at Month-end	Production	Consumption	Sales		Total	Inventories
							Exports	Domestic		
1959: April . . .	1,384.7	7.7	1,326.8	389.9	674.6	89.0	153.3	559.0	712.3	742.0
May. . . .	1,498.6	7.7	1,433.0	447.6	758.7	65.5	156.6	618.7	775.4	679.1
June. . . .	1,401.3	8.4	1,408.5	431.7	802.0	81.1	157.6	605.4	763.0	649.7
July	1,393.2	6.5	1,447.4	370.6	916.1	93.5	159.6	589.6	749.2	728.1
Aug. . . .	1,419.1	7.4	1,432.9	349.1	938.4	94.0	164.5	606.3	770.8	800.1
Sept. . . .	1,511.8	9.1	1,539.8	312.4	860.5	100.6	143.2	663.5	806.6	764.8
1958: Sept. . . .	1,328.1	4.7	1,313.7	364.5	716.4	98.7	—	—	684.2	817.5

30. Supply & Demand of Rubber & Vinyl Chloride Products (In tons) (MITI)

Year & Month	Rubber Goods					Vinyl Chloride Products				
	Production (A)	Sales (B)	Inventories at Month-end (C)	Delivery Rates (B/A)	Inventory Rates (C/A)	Production (A)	Sales (B)	Inventories Rates (C)	Derivery Rates (B/A)	Inventory Rates (C/A)
1959: April . . .	13,976	14,055	5,821	101	42	11,187	11,089	5,084	99	45
May . . .	14,363	14,381	5,853	100	41	10,953	10,683	5,442	97	50
June . . .	14,701	14,918	6,145	101	42	11,227	10,619	5,962	95	53
July . . .	15,335	15,133	6,447	99	42	11,234	10,775	6,405	96	57
Aug. . . .	14,748	14,812	6,420	99	35	12,007	11,412	7,026	95	58
Sept. . . .	15,788	16,038	6,340	102	40	12,978	12,907	7,089	99	55
1958: Sept. . . .	11,764	12,547	6,349	105	54	7,727	7,743	5,990	100	78

31. Department Store Sales (In million yen) (MITI)

By Month	No. of Stores	Total	Clothing	Personal Effects	Sundry	Household Utensils	Provisions	Restaurant	Services	Outside Store Sales	Others	Gift Certificates
1959: May . . .	211	26,637	12,108	2,255	3,030	3,666	4,023	994	232	10	320	249
June. . . .	211	27,081	12,801	2,291	2,849	3,803	3,827	940	196	11	363	284
July . . .	211	38,667	17,167	2,895	3,841	4,793	8,114	1,162	198	19	478	1,037
Aug. . . .	211	27,026	9,990	2,043	3,326	3,542	6,211	1,282	209	14	409	601
Sept. . . .	211	23,231	10,385	1,760	2,791	3,230	3,619	905	202	10	330	206
Oct. . . .	213	32,579	16,532	2,508	3,146	4,333	4,520	990	272	17	441	282
1958: Oct. . . .	196	27,464	14,093	2,075	2,703	3,363	3,838	861	229	16	286	242

Notes: ▲ Revised at source.
Rates of conversion: 1,000 lb. = 0.45359 tons for yarns; 1,000 sq. yds. = 0.83613 sq. m. for textiles; 1 lb. = 0.45359 kg. for papers.

32. JPA Procurement Contracts (In $1,000) (Ministry of Finance)

Year & Month	Monthly			Cumulative total as from June 26, 1950		
	Total	Merchandise	Services	Total	Merchandise	Services
1958 Average	11,959	5,616	6,343	—	—	—
1959: March	2,903	1,522	1,381	2,275,462	1,294,406	981,056
April	9,043	2,196	6,847	2,284,505	1,296,602	987,903
May	43,334	36,049	7,285	2,327,839	1,332,651	995,188
June	28,292	21,786	6,506	2,356,131	1,344,437	1,001,624
July	27,387	2,703	24,684	2,384,423	1,366,223	1,008,130
August	6,548	4,614	1,934	2,390,961	1,370,837	1,032,814
September	7,435	3,730	3,705	2,398,396	1,374,567	1,036,519
October	7,918	4,809	3,109	2,406,314	1,379,376	1,039,628
1958: October	7,163	2,373	4,790	2,248,238	1,277,760	970,478

33. JPA Procurement Payments (In $1,000) (Ministry of Finance)

Year & Month	Monthly			Cumulative total as from June 26, 1950		
	Total.	U.S.'s Burden	Japan's Burden	Total	U.S.'s Burden	Japan's Burden
1958 Average	23,595	18,426	5,169	—	—	—
1958: February	17,275	12,757	4,518	3,268,387	2,515,434	752,953
1959: March	18,873	15,533	3,340	3,287,260	2,530,967	756,293
April	13,738	10,753	2,985	3,300,998	2,541,720	759,278
May	16,032	11,309	4,723	3,317,030	2,553,029	764,001
June	24 201	24,201	—	▲3,339,796	▲2,575,795	▲768,210
July	18,696	14,487	4,209	▲3,358,492	▲2,590,282	▲771,384
August	19,484	16,310	3,174	▲3,377,976	▲2,606,592	▲771,709
September	20,290	19,965	325	3,398,266	2,626,557	771,709
October	16,779	12,798	3,981	3,415,045	2,639,355	775,690
1958: October	25,411	22,767	2,644	3,182,962	2,449,858	733,104

34. Exports and Imports by Value (Ministry of Finance)

Year & Month	Value (In $1,000)			Value (In million yen)		
	Exports	Imports	Balance	Exports	Imports	Balance
1959: March	279,006	295,477	(−) 16,471	100,442	106,371	(−) 5,930
April	261,054	299,041	(−) 37,987	93,979	107,655	(−) 13,675
May	277,660	322,074	(−) 44,413	99,958	115,947	(−) 15,989
June	272,718	325,139	(−) 52,421	98,178	117,050	(−) 18,871
July	299,940	313,773	(−) 13,833	107,978	112,958	(−) 4,980
August	301,513	289,910	11,603	108,545	104,367	4,177
September	▲282,244	298,777	▲(−) 16,533	▲101,608	▲107,560	▲(−) 5,952
October	▲345,483	▲297,600	47,883	124,377	107,136	17,238
November	292,769	289,675	▲3,094	105,397	104,243	1,114
1958: November	237,226	222,645	14,581	85,401	80,152	5,249

35. Exports and Imports by Continents*

($1,000; Customs Bureau, Finance Ministry)

	Year & Month	'57, Total	'58, Total	'59, Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	'58 Oct.
Exports	Total	2,858 018	2,876,560	279,006	261,054	277,660	272,718	299,940	301,513	282,244	345,483	256,827
	Asia	1,146,414	1,074,322	102,878	100,912	98,838	90,488	93,119	90,894	94,014	112,485	86,415
	S.E. Asia	754,107	649,520	65,018	61,792	58,335	53,758	60,877	60,477	61,557	77,283	54,511
	Europe	326,549	333,301	38,707	23,512	26,267	23,020	34,959	37,456	33,152	46,048	41,648
	N. America	725,898	848,456	89,828	90,618	101,882	114,092	100,294	128,627	105,433	115,779	87,645
	S. America	93,824	114,982	7,827	7,619	10,563	9,203	118,266	13,237	10,840	11,782	11,664
	Africa	498,952	415,511	31,061	31,406	35,373	26,118	36,859	20,048	27,099	47,535	21,333
	Oceania	66,248	89,771	8,665	6,912	9,726	9,775	10,438	11,210	11,635	11,767	8,122
Imports	Total	4,283,586	3,033,125	295,477	299,041	322,074	325,139	313,773	289,910	298,777	297,600	234,742
	Asia	1,246,062	982,448	93,965	98,285	105,588	109,019	100,952	93,100	88,530	102,408	86,896
	S.E. Asia	620,306	427,073	41,664	46,582	52,455	56,019	51,402	50,600	47,971	50,600	38,885
	Europe	391,889	268,654	30,196	29,917	37,580	34,747	32,342	28,087	30,480	27,840	21,755
	N. America	1,978,541	1,356,682	130,574	126,968	128,944	137,200	133,454	119,019	125,821	112,204	91,888
	S. America	122,086	80,687	6,289	8,656	5,810	5,608	7,534	10,534	12,405	14,678	5,059
	Africa	103,788	83,737	9,858	9,155	11,638	11,100	13,653	12,106	11,122	10,916	5,640
	Oceania	441,118	206,801	24,593	26,032	32,495	27,460	25,796	27,058	30,410	29,542	23,498

36. Foreign Exchange Receipts and Payments by Month

(In 1,000 dollars) (Bank of Japan)

Year & Month	Receipts			Payments			Balance
	Exports	Invisible	Total	Imports	Invisible	Total	
1958 Total	2,727,648	782,837	3,510,486	2,468,377	530,700	2,999,078	511,407
1959: March	265,620	67,360	332,980	222,357	52,299	274,656	58,324
Apr.	226,751	59,910	286,661	210,883	37,279	248,452	38,499
May	243,497	68,589	312,086	219,124	54,413	273,537	38,548
June	278,372	79,052	357,425	234,588	64,229	298,818	58,608
July	275,163	78,144	353,307	246,437	52,591	299,028	54,279
August	270,520	72,254	342,775	245,768	115,252	361,020	(−) 18,245
September	285,037	74,763	359,800	250,836	57,878	308,714	51,085
October	278,737	72,995	371,732	258,491	47,978	306,469	65,262
1958: October	233,887	72,910	306,797	217,768	42,766	260,534	46,263

Notes: The yen-base contracts in Table 32 are those contracts which the Japanese Government pays for according to the article 25 of the Japan-America Administrative Agreement out of "defense expenses." * includes optional cargoes in exports and imports from such special sources as pelagic fisheries, Japanese territorial waters, foreign territorial waters, and high seas in Imports.

37. Exports and Imports by Country

(In 1,000 dollars) (Ministry of Finance)

Settlement Area	Countries	Exports					Imports				
		June 1959	July 1959	Aug. 1959	Sept. 1959	Oct. 1959	June 1959	July 1959	Aug. 1959	Sept. 1959	Oct. 1959
	Total Exports or Imports	272,718	299,940	301,513	282,244	345,483	325,139	313,773	289,910	298,777	297,600
0	Korea	4,305	3,931	4,771	2,794	6,123	1,137	1,650	927	1,699	512
£▲	China	448	397	256	177	232	1,630	1,702	1,106	1,523	1,704
$	Rukyu Islands	7,067	6,085	6,275	5,414	2,439	2,294	1,249	1,189	1,197	1,517
£	Hong Kong	10,202	10,744	9,987	10,877	14,213	2,291	2,526	2,825	2,685	2,639
0	Formosa	7,975	7,502	6,866	9,346	7,631	6,132	2,987	1,207	1,027	1,485
$	South Viet Nam	6,216	6,645	5,596	5,448	3,926	604	155	171	119	29
£▲	Thailand	7,744	6,913	7,666	7,299	10,284	4,874	3,504	2,375	1,822	2,187
£	Malaya Union	1,246	1,456	1,623	1,463	1,862	15,938	15,717	16,300	15,315	15,245
£	Singapore	5,312	6,000	5,777	5,528	6,171	812	528	634	910	1,063
$▲	Philippines	7,149	7,972	8,467	7,243	15,372	13,289	11,273	11,803	11,182	11,113
£	British Borneo	119	136	167	205	156	4,707	5,562	4,948	4,807	5,781
£▲	Indonesia	4,801	8,719	6,453	7,070	3,771	4,440	5,225	4,211	3,993	6,054
£	Burma	2,491	3,877	3,871	5,699	6,414	582	577	254	183	917
£	India	4,014	3,154	5,218	6,311	9,813	8,522	8,083	8,038	8,552	8,007
£	Pakistan	1,916	2,118	1,417	1,574	2,649	3,728	3,109	2,746	1,854	2,177
£	Ceylon	1,755	2,173	2,257	2,231	2,052	756	543	1,080	1,099	682
$	Iran	4,722	3,671	3,879	3,188	4,931	2,353	3,042	2,942	1,531	1,613
£	Iraq	3,118	2,767	1,785	976	1,137	2,754	2,795	3,164	5,665	6,324
$	Saudi Arabia	1,011	866	932	828	826	13,022	12,180	10,811	7,413	11,166
0	Kwait	2,339	1,989	2,196	1,606	1,275	11,479	11,290	8,822	10,140	14,428
£▲	Sweden	1,801	1,674	1,905	1,632	2,030	846	789	673	608	613
	Denmark	814	1,081	939	789	913	327	583	184	417	458
£	United Kingdom	3,779	6,486	10,026	11,458	16,053	10,123	7,866	7,940	8,588	5,752
£▲	Netherlands	2,263	3,016	3,506	2,601	2,120	3,084	2,551	2,239	2,515	3,099
$	Belgium	1,526	1,649	2,001	1,733	1,729	1,368	1,361	1,959	1,573	746
£▲	France	604	962	1,459	1,263	1,370	1,643	3,308	2,332	1,729	1,744
£▲	West Germany	3,683	3,622	3,911	3,696	5,208	8,415	6,833	8,334	8,131	8,921
	Switzerland	2,149	2,059	2,341	2,851	3,703	2,653	2,612	1,487	1,693	2,046
£▲	Italy	1,179	1,221	1,655	1,479	2,025	962	1,264	423	2,302	529
	U.S.S.R. (in Asia zone)	1,979	1,169	773	4,841	1,628	3,112	4,695	5,211	3,503	4,145
$	Canada	9,950	10,782	11,339	9,561	9,530	16,041	14,045	14,920	13,480	9,774
$	U.S.A.	88,467	88,918	101,208	89,018	99,419	97,633	97,463	88,859	93,447	82,334
$	Mexico	971	1,297	1,294	1,379	1,366	10,811	6,348	5,959	12,016	14,604
	Panama	8,845	673	9,512	850	1,329	390	373	1,080	624	1,040
$	Cuba	2,115	775	916	614	840	1,717	7,352	2,723	3,705	2,882
	Venezuela	3,045	10,531	3,944	3,660	3,417	397	173	118	131	54
$	Peru	576	857	835	779	619	1,331	2,239	2,536	1,879	1,096
$	Chile	335	850	843	744	677	537	881	844	1,693	2,052
0	Brazil	1,935	3,034	2,947	2,110	2,291	524	1,889	5,003	6,438	7,535
£▲	Argentina	1,877	830	2,975	1,864	2,814	2,444	1,493	1,623	2,383	2,943
0	Egypt	1,845	365	502	388	865	1,568	2,175	1,867	1,374	853
£	British West Africa	2,631	4,357	4,415	6,017	6,714	479	909	692	1,098	480
$	Liberia	11,590	20,636	655	9,383	28,483	176	198	2	221	238
	Ghana	1,487	2,280	1,865	2,430	2,334	112	185	151	204	221
	British South Africa	1,820	2,297	2,514	2,672	3,017	2,633	2,748	2,535	2,004	1,707
£	Union of South Africa	3,888	4,449	7,367	3,582	3,709	2,661	2,964	2,822	2,144	3,475
£	Australia	6,605	6,894	7,658	7,905	7,815	23,846	22,527	23,122	26,180	24,116
£	New Zealand	1,146	1,065	1,159	729	1,521	1,805	1,448	2,223	1,111	2,360

Note: 0 denotes open account area; $, dollar area; £, sterling area. £▲ stands for Specified Area A and B.
*Southeast Asia Total includes Hong Kong, South Vietnam, Cambodia, Laos, Thailand, Malaya, Singapore, the Philippines, Indonesia, Burma, India, Pakistan, and Ceylon. ▲ Revised at source.

38. Exports by Major Articles

(In million yen) (Ministry of Finance)

Articles	Unit	1959 August Volume	1959 August Value	1959 September Volume	1959 September Value	1959 October Volume	1959 October Value	1959 Jan.-Oct. Volume	1959 Jan.-Oct. Value	1958 Jan.-Oct. Volume	1958 Jan.-Oct. Value
Total Exports	—	—	108,545	—	101,608	—	124,374	—	997,023	—	840,952
Food	—	—	9,404	—	9,693	—	11,302	—	73,539	—	62,791
Fish & Shellfish	m.t.	30,877	6,388	—	80	34,384	9,127	251,961	51,485	212,912	45,832
Fresh Fish	,,	15,549	1,515	12,923	1,227	11,748	1,315	120,978	12,199	96,776	11,931
Tuna	,,	12,536	1,231	11,327	959	9,972	1,048	103,420	9,861	76,798	7,888
Canned, Bottled Fish	,,	13,672	4,453	17,964	6,121	20,984	7,436	115,383	35,237	103,328	31,328
Salmon	,,	5,818	2,301	8,463	3,494	11,200	5,137	46,555	17,203	34,289	14,759
Tuna	,,	1,110	399	1,947	757	2,246	790	14,324	4,838	16,820	5,000
Fruit & Vegetables	,,	20,722	1,649	14,702	974	8,997	763	131,956	11,265	103,383	9,035
Canned, Bottled Fruits	,,	7,160	935	2,755	353	2,185	289	52,789	6,840	45,376	5,663
Tea	,,	1,421	300	599	113	595	112	6,570	1,374	6,653	1,462
Beverage & Tobacco	—	—	132	—	152	—	462	—	1,968	—	1,527
Raw Materials, except Fuels	—	—	4,318	—	3,727	—	4,545	—	30,934	—	21,109
Lumber	cu.m.	41,975	952	33,239	758	39,381	899	381,690	8,231	398,320	7,695
Textile Fibre & Waste	m.t.	4,392	2,881	3,875	2,519	4,778	3,208	39,314	18,316	31,762	9,874
Raw Silk	,,	746	2,216	650	1,965	797	2,448	4,178	12,422	1,984	5,878
Mineral Fuels	—	—	511	—	294	—	359	—	3,267	—	3,503
Animal & Vegetable Oils	—	—	636	—	293	—	354	—	9,575	—	9,916
Animal Oil	m.t.	5,637	394	202	97	804	149	91,240	7,364	99,513	8,284
Whale Oil	,,	5,387	257	—	—	430	31	88,004	5,769	108,584	6,782
Vegetable Oil	,,	2,328	213	1,986	193	1,972	203	23,092	2,150	16,589	1,613
Chemicals, Drugs	—	—	4,332	—	4,666	—	5,295	—	50,515	—	41,862
Pharmaceuticals	—	—	363	—	551	—	502	—	4,260	—	3,896
Chemical Fertilizers	m.t.	92,320	1,722	109,824	2,079	128,935	2,898	1,393,043	25,522	1,065,034	21,073
Manufactured Products by Materials	—	—	44,958	—	43,003	—	48,005	—	425,248	—	392,800
Rubber Goods	—	—	848	—	789	—	940	—	8,126	—	6,679
Wood & Cork Products	—	—	3,235	—	2,626	—	3,071	—	29,412	—	21,800
Plywood	1,000 s.m.	9,344	2,483	7,515	1,988	8,072	2,352	83,600	22,387	71,423	16,526
Paper & Related Products	m.t.	13,357	1,255	11,736	1,149	9,582	1,064	99,711	9,844	94,065	9,117
Textile Yarns & Fabrics	—	—	21,771	—	22,942	—	24,040	—	214,565	—	206,317
Woollen Yarn	m.t.	327	418	287	382	286	386	3,013	4,023	2,989	4,101
Cotton Yarn	,,	848	559	964	577	907	567	9,188	5,389	10,016	6,663
Rayon Yarn	,,	1,002	358	1,233	444	1,299	475	9,753	3,501	8,030	2,895
Spun Rayon Yarn	,,	1,301	409	2,164	639	1,529	486	13,178	4,126	15,265	4,561
Cotton Fabrics	1,000 s.m.	84,008	8,557	88,441	8,851	89,041	9,139	841,368	82,755	844,038	81,032
Silk Fabrics	,,	7,683	1,642	7,479	1,636	8,419	1,784	65,916	13,730	41,560	9,421
Woollen Fabrics	,,	1,604	985	2,055	1,211	2,585	1,590	21,370	12,895	15,731	10,005
Rayon Fabrics	,,	15,479	1,230	17,520	1,388	16,878	1,391	193,285	14,596	253,952	18,627
Spun Rayon Fabrics	,,	46,400	3,300	49,660	3,511	46,222	3,340	473,733	31,961	589,143	37,015
Non-Metallic Mineral Products	—	—	4,417	—	3,072	—	4,145	—	36,975	—	32,014
Cement	m.t.	151,549	847	115,806	643	92,784	516	1,268,125	7,103	1,399,908	8,303
Glass & Glass Products	—	—	710	—	695	—	675	—	6,511	—	4,823
Chinaware	—	—	2,162	—	1,292	—	2,208	—	16,999	—	14,441
Pearls	kg.	2,756	577	3,578	649	4,471	805	35,443	7,130	27,650	5,225
Base Metals	—	—	8,592	—	7,723	—	8,637	—	79,581	—	82,449
Iron & Steel	m.t.	136,442	7,820	118,115	7,020	132,284	7,916	1,298,928	71,794	1,326,994	72,718
Steel Plates (ungalvanized)	,,	34,608	1,722	24,788	1,363	28,857	1,620	307,286	14,960	335,719	19,042
Galvanized Steel Plates	,,	27,039	1,837	19,579	1,336	26,179	1,799	221,586	14,837	202,181	14,134
Non-ferrous Metals	,,	3,591	773	3,331	703	2,866	721	30,571	7,787	31,261	9,731
Metal Products	—	—	3,746	—	3,538	—	4,668	—	34,479	—	25,276
Machinery & Transportation Equipment	—	—	23,711	—	20,623	—	33,291	—	234,770	—	187,421
Machinery (excl. electric machines)	—	—	5,132	—	5,583	—	6,105	—	47,137	—	37,622
Textile Machines & Parts	—	—	1,260	—	1,235	—	978	—	9,170	—	8,136
Sewing Machines	—	172,265	1,663	154,827	1,457	160,115	1,452	1,592,987	15,173	1,390,125	12,337
Electric Machine	unit	—	6,676	—	6,924	—	9,633	—	55,376	—	27,188
Gen. Motors, Trans. & Alternators	—	—	294	—	307	—	1,221	—	5,418	—	2,150
Electrilc Bulbs	1,000 pcs.	35,749	366	34,679	357	26,359	269	299,939	3,018	317,183	2,995
Transportation Equipment	—	—	11,903	—	8,117	—	17,553	—	132,257	—	122,611
Railway Rolling Stock & Parts	—	—	656	—	260	—	327	—	4,360	—	7,985
Buses, Trucks	unit	1,180	1,321	1,227	1,091	913	715	10,172	10,072	4,480	3,939
Bicycles & Parts	—	—	337	—	339	—	342	—	2,915	—	1,929
Ships	G.T.	67,344	8,700	44,678	5,623	130,488	15,162	953,695	107,802	1,038,271	103,295
Miscellaneous	—	—	20,132	—	18,866	—	20,225	—	163,697	—	116,628
Clothing	—	—	7,856	—	7,072	—	6,942	—	60,762	—	43,652
Camera	unit	77,964	600	88,229	729	113,451	894	702,597	5,692	571,563	4,525
Toys	—	—	3,617	—	3,263	—	3,058	—	26,302	—	20,762
Live Animals not for Food	—	—	12	—	34	—	47	—	222	—	190
Re-export Goods	—	—	400	—	257	—	490	—	3,288	—	3,207

Note: Figures of group total include others than represented.

39. Imports by Major Articles

(In million yen) (Ministry of Finance)

Articles	Units	1959								1958	
		August		September		October		Jan.-Oct.		Jan.-Oct.	
		Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Total Imports	—	—	104,367	—	107,560	—	107,136	—	1,057,078	—	916,649
Food	—	—	13,458	—	12,231	—	10,108	—	144,519	—	159,214
Cereals & Cereal Preparations	m.t.	368,765	8,491	296,922	6,703	213,549	4,799	3,508,417	86,770	3,645,574	98,857
Wheat	,,	244,776	5,760	199,305	4,605	130,653	3,026	2,004,912	47,968	1,960,353	47,827
Rice	,,	1,022	48	68	3	2	0	228,482	10,910	473,321	24,349
Barley	,,	53,808	1,095	33,832	638	15,103	279	488,367	10,192	661,121	13,826
Maize (Corn)	,,	59,760	1,276	56,641	1,211	60,848	1,249	696,785	14,734	496,645	10,893
Fruit & Vegetables	,,	7,864	539	9,449	1,035	14,114	911	138,421	8,916	131,317	8,056
Sugar & Sugar Preparations	,,	139,171	3,151	124,446	2,999	92,342	2,436	1,247,511	34,611	1,149,004	37,974
Coffee	,,	503	168	524	169	735	242	6,444	2,198	4,908	2,026
Beverage & Tobacco	—	—	28	—	28	—	50,386	—	4,827	—	2,065
Tobacco	—	—	0	—	15	—	11,010	—	4,359	—	1,651
Raw Materials, except Fuels	—	—	51,821	—	54,962	—	53,213	—	503,121	—	392,976
Hides & Skins	m.t.	—	1,494	—	1,523	—	1,083	—	12,860	—	7,742
Oil Seeds	,,	121,596	4,551	149,411	5,888	77,827	3,376	1,253,709	48,441	1,020,954	39,980
Soy-beans	,,	79,326	2,844	110,003	3,906	35,932	1,304	845,375	29,246	734,298	26,525
Rubber	,,	23,451	5,540	18,433	4,389	18,730	4,466	179,288	40,537	131,268	24,505
Crude Rubber	,,	16,547	4,188	11,767	3,058	8,793	2,389	117,476	28,050	97,713	18,222
Lumber & Cork	—	—	5,009	—	4,337	—	5,256	—	38,472	—	27,044
Lumber	c.m.	596,051	4,957	505,083	4,246	562,115	5,189	4,562,041	37,764	3,447,928	26,404
Pulp & Waste Papers	—	—	570	—	562	—	772	—	6,040	—	3,748
Textile Fibres & Waste	m.t.	65,582	15,343	71,902	16,612	77,416	18,257	795,306	184,613	680,462	186,316
Wool	,,	10,839	4,956	11,577	5,405	12,420	6,285	135,194	59,117	102,331	59,314
Cotton	,,	43,308	8,518	47,241	9,302	53,608	10,372	538,744	104,068	482,110	111,461
Cotton, Ginned	,,	40,208	8,209	43,846	8,889	49,916	9,915	493,797	99,823	430,046	105,244
Hard & Bast Fibres	,,	9,985	1,007	11,396	1,111	9,802	940	98,176	9,065	81,257	7,310
Fertilizers & Non-metallic Minerals	—	—	2,672	—	2,466	—	2,496	—	23,293	—	19,771
Crude Fertilizers	m.t.	169,293	904	119,838	678	139,378	771	1,453,907	8,141	1,255,229	7,985
Salt	,,	149,267	445	175,891	535	159,831	487	1,551,394	4,654	1,363,567	4,185
Metal Ores & Metal Scrap	,,	1,509,936	16,127	1,712,410	18,729	1,640,411	16,897	13,993,975	143,819	8,570,321	78,375
Iron Ore	,,	867,900	4,477	925,549	4,658	1,028,366	5,065	8,528,116	42,675	6,390,464	38,093
Scrap Iron	,,	383,750	7,065	472,630	8,739	369,176	6,866	3,288,961	59,012	1,129,741	19,849
Non-ferrous Metal Ores	,,	250,612	3,255	307,278	4,132	235,972	3,726	2,112,026	30,829	1,015,446	15,281
Copper Ore	,,	26,245	1,338	43,257	2,044	28,899	1,682	285,306	14,223	176,268	6,175
Nickel Ore	,,	50,261	312	107,710	702	85,378	552	555,654	3,687	169,803	1,726
Aluminium Ore	,,	111,030	396	103,877	442	75,660	352	683,541	2,591	378,473	1,625
Manganese Ore	,,	22,730	234	12,272	119	10,016	99,923	234,195	2,670	140,548	2,027
Non-ferrous Metal Scrap	,,	7,674	1,329	6,953	1,198	6,897	1,239	64,880	11,296	34,670	5,144
Copper Scrap	,,	74	17	66	15	95	21	880	213	2,464	502
Brass Scrap	,,	5,342	999	5,121	924	5,520	1,029	51,556	9,426	25,324	3,994
Mineral Fuels	—	—	15,152	—	15,006	—	20,824	—	163,112	—	154,279
Coal	m.t.	476,888	2,980	468,576	3,014	531,780	3,334	4,138,336	26,678	4,012,693	30,422
Anthracite	,,	45,329	259	29,893	191	37,144	222	425,460	2,606	424,075	2,797
Bituminous (for coking)	,,	76,488	459	45,537	267	53,583	318	556,922	3,402	796.942	5,636
Petroleum	k.l.	1,876,851	11,979	1,809,295	11,654	2,745,071	17,164	20,310,797	133,669	16,132,532	122,044
Crude & Unrefined	,,	1,698,838	10,445	1,568,675	9,759	2,323,400	13,817	17,500,413	111,795	13,380,788	97,202
Heavy Oil	,,	157,842	1,034	221,838	1,372	368,944	2,457	2,597,323	16,978	2,506,404	20,419
Animal & Vegetable Oils	—	—	847	—	1,162	—	801,161	—	10,714	—	9,415
Animal Fats & Oils	m.t.	9,418	712	14,612	1,021	7,087	500	118,086	8,713	97,265	7,592
Beef Tallow	,,	9,349	668	14,526	1,006	6,976	469,786	114,387	8,276	95,679	7,407
Vegetable Oils	,,	1,067	105	830	104	2,711	263	17,951	1,685	14,417	1,553
Chemicals, Drugs	—	—	5,885	—	7,787	—	7,504	—	64,636	—	48,577
Inorganic Chemicals	—	—	285	—	519	—	428	—	3,797	—	2,627
Organic Chemicals	—	—	1,299	—	1,725	—	983	—	12,817	—	9,573
Potassic Fertilizers	m.t.	—	435	—	1,264	—	1,125	—	9,036	—	8,378
Synthetic Plastic Materials	,,	3,618	1,150	4,503	1,338	5,263	1,690	38,345	11,728	23,168	6,899
Manufactured Products by Materials	—	—	5,057	—	6,077	—	4,741	—	40,955	—	30,854
Textile Yarns & Fabrics	—	—	943	—	799	—	198	—	4,644	—	4,288
Base Metals	m.t.	59,884	3,150	80,647	3,825	88,186	3,252	443,807	25,790	161,846	16,534
Iron & Steel	,,	50,109	1,573	73,970	2,031	84,639	1,955	398,246	12,041	134,525	7,821
Non-ferrous Metals	,,	9,775	1,577	6,677	1,794	3,548	1,296	45,562	13,749	27,001	8,714
Copper	,,	6,938	464	1,073	289	874	205	19,519	3,880	9,578	2,249
Lead	,,	84	6	51	4	108	8,434	1,443	112	3,112	261
Tin	,,	747	601	690	557	779	624	7,525	5,960	5,807	4,263
Machinery & Transportation Equipment	—	—	10,714	—	8,775	—	8,174	—	109,393	—	104,823
Machinery (excl. electric machines)	—	—	7,213	—	6,064	—	4,884	—	80,708	—	83,545
Electric Machines	—	—	1,172	—	832	—	1,121	—	11,741	—	8,661
Transportation Equipments	—	—	2,330	—	1,879	—	2,170	—	16,943	—	12,617
Passenger Cars, complete	unit	301	153	307	168	480	159	5,749	2,767	4,291	2,530
Aircraft & Parts	—	—	1,116	—	421	—	496	—	3,940	—	6,571
Miscellaneous	—	—	370	—	1,319	—	421	—	3.925	—	3,266
Live Animals not for Food	—	—	24	—	16	—	17	—	182	—	191
Re-import Goods	—	—	84	—	197	—	151	—	1,537	—	1,098

Note: Figures of group total include other items not represented above.

40. Spot Quotations on Tokyo Securities Exchange

Names of Shares	Authorized (Paid-up) Capital In million yen	Dividends	1959 November High	1959 November Low	1959 Dec. 15
Mining		%			
Mitsubishi Metal Mining	4,095	12	130	112	112
Nihon Mining	5,670	12	164	144	152
Sumitomo Metal Mining	3,218	12	130	110	116
Mitsui Metal Mining	4,800	15	115	102	105
Mitsui Mining	3,000	—	50	43	56
Mitsubishi Mining	5,400	—	46	39	51
Sumitomo Coal Mining	2,400	10	57	50	55
Furukawa Mining	3,307	5	69	63	60
Ube Industries	9,225	10	90	81	95
Teikoku Oil	4,000	12	142	120	115
Dowa Mining	3,045	10	176	128	152
Foodstuffs					
Nippon Suisan	5,941	6	108	83	92
Nippon Flour Mills	1,440	15	129	125	127
Nisshin Flour Milling	1,500	16	146	137	140
Dainippon Sugar Mfg.	720	25	330	309	313
Taito	600	30	369	340	360
Japan Beet Sugar Mfg.	1,350	16	220	185	180
Morinaga Confectionery	1,200	30	192	179	183
Meiji Confectionery	1,260	18	186	175	184
Nippon Breweries	2,800	18	260	240	254
Asahi Breweries	2,800	18	270	255	257
Kirin Breweries	4,151	20	300	265	290
Takara Shuzo	5,890	15	132	118	124
Japan Distilling	1,155	6	103	85	81
Honen Oil Mills	1,500	17	195	169	185
Nissin Oil Mills	1,000	20	180	161	175
Noda Soy Sauce	1,200	22	317	308	315
Ajinomoto	2,296	25	406	372	376
Nippon Cold Storage	3,000	14	129	108	110
Textiles					
Toyo Spinning	8,062	16	148	135	139
Kanegafuchi Spinning	4,005	12	127	108	119
Dai Nippon Spinning	6,562	18	131	109	118
Fuji Spinning	3,600	16	95	87	90
Nisshin Cotton Spinning	2,028	26	239	218	225
Kurashiki Spinning	3,200	18	120	108	111
Nitto Spinning	1,700	12	81	75	83
Ohmi Kenshi Spinning	2,249	8	72	62	72
Japan Wool Textile	2,716	20	156	□ 133	130
Daito Woollen Spinning	1,500	15	90	80	87
Chuo Textile	1,220	8	60	52	59
Teikoku Rayon	5,557	12	141	130	141
Toyo Rayon	12,000	18	307	280	270
Toho Rayon	1,545	8	151	135	128
Mitsubishi Rayon	2,250	12	157	140	135
Kurashiki Rayon	3,000	15	218	197	179
Asahi Chemical	(B) 4,760	18	460	435	421
Paper & Pulp					
Kokoku Pulp	3,120	—	51	44	46
Sanyo Pulp	3,176	5	93	80	75
Nippon Pulp Ind.	1,600	12	113	104	103
Kokusaku Pulp	2,042	5	78	73	72
Tohoku Pulp	2,465	5	91	82	79
Oji Paper	5,000	23	264	240	183
Honshu Paper	2,000	8	170	154	158
Jujo Paper	2,300	26	330	310	318
Mitsubishi Paper Mills	1,080	15	147	137	147
Chemical Industries					
Toyo Koatsu Ind.	7,488	4	128	108	111
Nitto Chem. Ind.	4,031	5	110	104	109
Showa Denko	9,000	15	203	165	172
Sumitomo Chemical	8,000	12	278	211	247
Shin Nippon Chisso Hiryo	2,700	12	185	164	155
Nissan Chemical Ind.	2,163	—	81	72	89
Nippon Soda	1,630	8	96	85	87
Toyo Soda	1,500	15	125	107	113
Toa Gosei Chemical Ind.	2,917	8	118	105	112
Electro-Chemical Ind.	2,597	5	117	107	109
Shin-etsu Chemical Ind.	2,200	6	194	□ 115	113
Mitsui Chemical Ind.	3,200	12	115	98	103
Kyowa Fermentation	2,388	10	152	138	137
Dainippon Celluloid	2,251	6	120	□ 115	115
Nippon Chemical Ind.	800	15	119	102	110
Sankyo	1,320	18	185	156	172
Fuji Photo Film	2,500	18	226	192	211
Konishiroku Photo Ind.	1,800	—	116	97	130
Tokyo Electric Power	(A) 15,000	10	596	565	565
Tokyo Gas	15,600	12	80	70	76
Coal & Petroleum		%			
Nippon Oil	4,500	12	295	261	240
Showa Oil	3,000	10	176	157	143
Maruzen Oil	11,025	15	158	138	141
Mitsubishi Oil	2,807	10	270	245	230
Toa Nenryo Kogyo	5,990	20	376	345	318
Mitsubishi Chemical Ind.	5,950	12	175	135	155
Rubber, Glass & Ceramics					
Yokohama Rubber	2,000	10	159	146	142
Asahi Glass	5,000	18	365	330	335
Nippon Sheet Glass	2,500	20	292	270	266
Nihon Cement	5,000	15	175	156	174
Iwaki Cement	1,000	36	570	536	546
Onoda Cement	12,000	13	120	105	106
Nippon Toki	800	23	325	288	315
Nippon Gaishi	1,000	20	330	308	295
Metal Industries					
Yawata Iron & Steel	38,000	12	138	116	130
Fuji Iron & Steel	33,000	12	118	96	111
Kawasaki Steel	14,135	6	99	□ 81	100
Nippon Kokan	22,500	12	94	78	95
Sumitomo Metal Ind.	16,974	6	90	73	83
Kobe Steel	17,585	12	103	75	101
Tokyo Rope	800	15	233	220	95
Japan Light Metal	3,630	10	470	425	410
Toyo Seikan	(A) 1,600	15	1,330	1,250	1,315
Machinery					
Ebara Mfg.	1,200	20	329	299	305
Nippon Seiko	1,600	20	202	177	176
Toyo Bearing	1,300	20	242	200	202
Koyo Seiko	3,345	25	195	167	168
Electric Machinery					
Hitachi Ltd.	30,000	15	290	260	215
Tokyo Shibaura Electric	25,000	15	222	193	214
Mitsubishi Electric	12,800	15	244	208	216
Fuji Electric Mfg.	5,400	15	282	249	262
Furukawa Electric	6,000	12	160	135	132
Nippon Electric	4,000	15	515	465	512
Transportation Equipment					
Mitsubishi Shipbuilding & Engineering	11,200	12	118	90	105
Mitsubishi Nippon Heavy Ind.	4,500	12	146	109	123
Mitsui Shipbuilding & Engineering	4,500	15	170	137	104
Mitsubishi Heavy Ind. Reorg.	12,348	12	277	241	236
Ishikawajima Heavy Ind.	5,200	12	137	106	112
Nissan Motor	6,930	15	335	298	287
Isuzu Motor	5,000	16	245	200	201
Toyota Motor	10,500	20	560	□ 375	332
Precision Machinery					
Nippon Kogaku	554	5	162	94	144
Canon Camera	1,600	10	188	165	167
Other Manufacturing Industries					
Toppan Printing	500	18	357	340	359
Nippon Musical Instrument	1,000	20	402	318	439
Trading Companies					
Mitsui Bussan	6,223	14	331	298	310
Mitsubishi Shoji	5,000	14	291	237	256
Mitsukoshi	2,430	20	329	271	297
Real Estate					
Mitsui Real Estate	1,000	15	528	466	481
Mitsubishi Estate	5,160	15	309	283	282
Heiwa Real Estate	1,323	12	313	271	305
Transportation & Shipping					
Tobu Railways	2,400	12	127	125	125
Tokyo El. Express Railway	4,500	12	103	100	101
Nippon Express	(B) 21,600	14	187	177	148
Nippon Yusen	11,400	—	69	51	66
Osaka Shosen	7,600	—	46	32	41
Nitto Steamship	6,000	—	58	40	55
Mitsui Steamship	5,500	—	62	42	56
Iino Kaiun	13,200	—	47	31	39
Mitsubishi Shipping	4,800	—	58	45	53
Warehouse & Entertainment					
Mitsubishi Warehouse	1,200	10	102	95	97
Shochiku Motion Picture	2,772	12	76	71	74
Nikkatsu	3,366	10	65	54	68

Notes: (A) 500 yen shares. (B) 100 yen shares. Rest are all 50 yen. □ ex-new.

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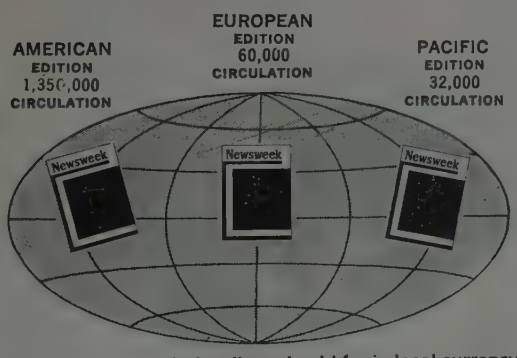

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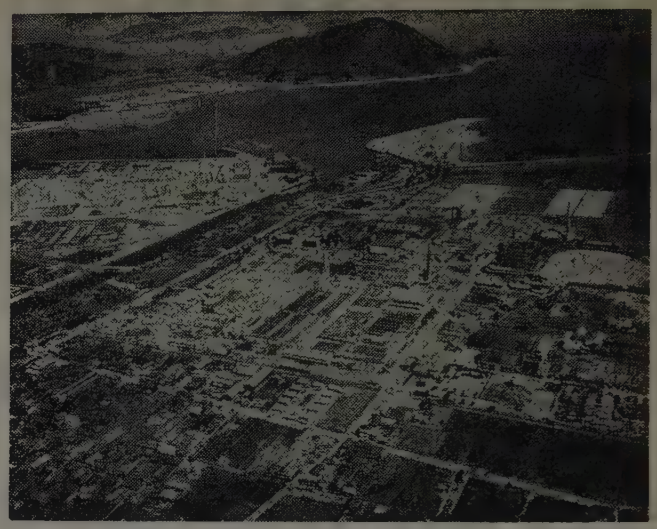

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INDEX TO THE ORIENTAL ECONOMIST (Vol. XXVII)

January-December 1959

REVIEW OF THE MONTH

	No.	Pages
— A —		
Anti-A-H Bomb Movement	587	509
— B —		
Better Business Again	583	226
Budget Plan for Fiscal 1959	580	57
Business Pickup in Swing	586	453
— C —		
Choice of Speaker and Vice-Speaker	579	2
Chou-Ishibashi Communique	588	565
Close of 31st Diet Session	584	339
Communist China & Japanese Socialists	582	169
— D —		
Diet "For Elections"	582	169
Diet Stuck on Vietnam Reparations	590	675
Disputes over Socialist Party Reform	586	452
— E —		
Economic Effects of Supplementary Budget	590	676
Economic Outlook for Fiscal 1959	579	3
E.P.A.'s Economic Forecast	589	621
— F —		
Fifth Bumper Crop for Rice	588	565
Fiscal 1959 Budget Scale	579	2
Fisheries Talks & Scientific Survey	583	227
— I —		
Internal Troubles within Two Parties	580	59
— J —		
Japan-North Korea Accord on Repatriation	587	509
Japan-South Vietnam Reparations Pact	584	340
Japan-Soviet Fisheries Agreement	584	341
Japan-Soviet Fisheries Talks	582	171
— L —		
Local Elections	583	225
— M —		
March-End Business Results	581	115
Mr. Kishi Back Home	587	507
Mr. Kishi Goes Abroad	586	452
— N —		
New Scandal Problem	581	114
New Socialist Party	590	677
— P —		
Party Supported by *Sohyo*	585	397
Political Revamping	588	564
Price Trend	583	227
— R —		
Ratification of ILO Convention	582	170
Redenomination of the Yen	584	340
Repatriation of Koreans	581	115
Repatriation to North Korea	585	397
Resolution Against Nuclear Arms	581	113
— S —		
Ship Exports to the Philippines	581	114
Socialist Party & *Sohyo*	587	508
Socialist Party Convention	588	563
Soviet Memorandum to Japan	579	3
Split of Socialist Party	589	620
Supplementary Budget for Typhoon Disasters	589	620
State Loans & Investments	580	59
— T —		
Tax Cut Plan	580	58
3rd Kishi Cabinet	585	395
31st Diet Session in Swing	579	1
32nd Diet Closed	586	451
33rd Extraordinary Diet Session	589	619
Two Views on Security Pact	587	508
— U —		
Upper House Election	584	339
Upper House Election Result	585	396
— Z —		
Zenro's New Action Policy	590	677

MONEY & BANKING

— A —		
Another Rate Cut ?	581	118
— B —		
Bank Accounts	585	400
Bank Lendings Up	586	456
Bank Loans Restricted	589	624
Bank of Japan Policy	583	232
Bank Showings	590	680
Bankers Convention	586	456
Banking Business Result	579	6
Bulky Note Issue	580	62
— C —		
Call Market Firm	582	174
Call Rates Still High	585	400
— D —		
Deposits & Loans	580	62
Deposits with Bank of Japan	581	118
— F —		
Financial Receipt Excess	582	174
Fund Plan	579	6
— H —		
Hike of Note Issue	583	232
— I —		
Interest on Loans	584	344
— M —		
Money Continues Brisk	588	568
Money Easier	579	6
Money in April	584	344
Money in February	582	174
Money in January	581	118
Money in July	587	512
Money in June	586	456
Money in March	583	232
Money in May	585	400
Money in 1958	580	62
Money in October	590	680

	No.	Pages
Money in September	589	624
— N —		
New Equipment Fund Loans	584	344
Note Issue	590	680
Note Issue High	582	174
— P —		
Payments Active	590	680
— R —		
Reserve Deposit System	588	568
Reserve Deposit System Aftermath	589	624
— S —		
Selling Operations	590	680
Slip of Loan Interest	581	118
Standard Rate Set	582	174
— T —		
Takagi Report on Economic Conditions	587	512

STOCK MARKET

— B —		
Business Results for Term Ending September	587	513
— C —		
Capital Expansion Brisk	581	119
Capital Expansion Marking Time	586	457
Corporate Results	579	7
Corporate Results	582	175
Corporate Results	588	569
Corporate Results	590	681
Credit Dealing Curb	590	681
— D —		
D.J. Average Collapses	585	401
Dow-Jones Average Up	587	513
— E —		
¥800 Mark Topped	585	401
— F —		
Fair Going	589	625
Fickle Market	581	119
Firm Start	586	457
Fourth Restriction	579	7
Further Climb	579	7
— H —		
Hikes by Groups	580	63
— I —		
Investment Trust	579	7
Investment Trust	589	625
Investment Trust	590	681
Investment Trust Assets	585	401
— J —		
J.S.F. Loans	582	175
— M —		
March Settlements	584	345
— N —		
New Peak for Capital Boosts	589	625
¥900 Mark Topped	589	625
1958 Transitions	580	63
November Capital Expansions	588	569
— S —		
Saving with Stocks	579	7
Scarce Shares Active	587	513
Scarce Stocks	584	345
Scarce Stocks	588	569
¥700 Mark	582	175
Shareholders	590	681
Spurs & Dampers	580	63
Stiff Tone	583	234
Stock Ownership	583	234
Stocks in Trust Up	584	345
— T —		
To ¥950 Mark	590	681
Turnovers Small	588	569
Turnovers Up	590	681
— U —		
Ups and Downs	584	345
— Y —		
Yields Down	589	625

LEADING ARTICLES

— B —		
Balance of Payments Situation	587	125
Big Business Pay Level Up	590	686
— C —		
Capital Requirement Quiescent	581	125
Corporate Results in First Half	589	631
— D —		
Defense Industry	579	15
Dollar Uncertainty	586	459
— F —		
For Expansion of Trade	579	9
Foreign Budget Compilation	582	177
Foreign Capital Induction (I)	580	70
Foreign Capital Induction (II)	581	127
Foreign Exchange Budget in Second Half	589	627
— G —		
Gold Problem	581	121
— H —		
Highlights of Industrial White Paper	589	634
Household Consumer Spending Firm	583	247
— J —		
Japan's Defense Production	590	690
Japan's Economy on Recovery	587	518
— K —		
Korean Residents' Problem	583	237
— M —		
Major Laws Enacted by 31st Diet	584	354
Multilateral Management in Industry	584	358
— N —		
1960-61 Budget Bill	588	571
— P —		
Pattern of Consumption Growth	588	575
Personal Consumption Up	580	68
Population White Paper	588	572
Post-War Election Trends	586	464
Price Movements	582	185
Protectionism Whither?	580	65
— R —		
Recent Trends in Labor Economy	587	523
Revision of Bank of Japan Law	584	347
— S —		
Sharp Rise of Exports to U.S.	590	684

— T —

	No.	Pages
Toward Expanding Equilibrium	579	13

— V —

Voluntary Regulation	585	404

— W —

Wage Survey	585	408
War Reparations Situation	582	181
What is Meant by Normalization of Banking	585	403

— Z —

Zaibatsu Revival ? (II)	579	10
Zaibatsu Revival ? (III)	580	65
Zaibatsu Revival ? (IV)	581	122
Zaibatsu Revival ? (V)	582	178
Zaibatsu Revival ? (VI)	583	241
Zaibatsu Revival ? (VII)	584	348
Zaibatsu Revival ? (VIII)	585	412
Zaibatsu Revival ? (IX)	586	461

INDUSTRY

— A —

Agriculture & Forestry	582	188
Aluminium	587	527
Automobiles	588	579

— C —

Cement	585	417

— E —

Electric Machinery & Equipments	581	130
Electric Wires & Cables	590	694
Electronics Industry	586	469
Export Industries	579	18

— I —

Iron & Steel	580	75

— T —

Tourism	584	364
Trade Houses	589	637

VIEWS & TOPICS

— C —

Chemical Fertilizer Industry *By Masao Anzai*	588	590

— E —

Electric Machinery Industry *By Masuhiko Kanari*	590	703

— J —

Japan's Aircraft Industry *By Takao Yoshida*	581	140
Japan's Debt-Ridden Economy *By Shuzo Watano*	580	84
Japan's Foreign Exchange Policies, Past & Present... *By Torao Igarashi*	579	26
Japan's Foreign Trade *By Ichiro Terao*	584	367
Japan's Shipbuilding Industry *By Yoshikado Nomura*	589	646
Japanese Labor in 1958 *By Iwao Ayusawa*	579	30

— M —

Machine Tool Facilities Modernization *By Shigeo Ogata*	586	479

— P —

Petrochemical Industry *By Kamesaburo Ikeda*	582	195
Printing Industry *By Orie Kitajima*	583	312
Problems with Japan's Merchant Marine *By Yasuzo Ichii*	587	535

— R —

Research in Industry *By Yasumitsu Takeyasu*	585	423

— V —

Vietnam Reparations Issue *By Kiyoshi Komatsu*	590	705

KALEIDOSCOPE

— A —

Analysis of Consumer Spending	585	425
Automobile Exports	581	143
Automobile Production	580	87
Automobile Production Brisk	590	683

— B —

Blister Steel Production in 1st Half	588	593
Brisk Synthetic Textile Exports	587	537
Budgetary Demands	589	649
Business Going Up	588	593

— C —

Capital Increases	579	33
Chemical Fiber Production Down	580	87
Choice of Fighter Planes Still Undecided	585	425
Coal Industry Rationalization	589	649
Coal Production Curtailment	584	371
Construction Booming	584	371
Construction Starts	587	537
Construction White Paper	586	481
Consumer Dependence on Imports	584	371
Cotton Trade in 1958	582	199

— D —

Department Stores Go Abroad	589	649
Department Store Sales Up	586	481

— E —

Electric Power Plan for 1959	582	199
Electricity Demand in 10 Years	589	649
Equipment Investments in 1959	587	537
Estimate for Steel Tube Production	586	481
Export Conditions for Ships to the Philippines	582	199
Exports of Transistor Radios	590	683

— F —

Farm Economy Brighter	586	481
Farm Income Fattens	587	537
Farmland Survey	590	683
Fish Catch in 1958	586	481
Funds Requirements in Fiscal 1959	582	199
Foreign Investments & Loans	590	683
Foreign Exchange Reserve Hit Highest Mark	584	371

— G —

Good Business Results for Second Half	590	683
Growth in Power Supply	587	537

— I —

Idling of Shipyards Getting Serious	590	683
Increase in Electric Machinery	585	425
Industrial Machinery Production	581	143
Investment Plan for Transportation	584	371
Iron & Steel Firms Booming	588	593
It's Lockheeds for SDF	590	683

— J —

Japan Bond Flotation Officially Inked	581	143
Japan's Current Merchant Marine	580	87
JNR Freight Transportation	586	481

— L —

	No.	Pages
Labor Productivity	588	593
Land Price Up	587	537
Local Government Finance	581	143

— M —

More Labor Unions	579	33
Motion Pictures & TV	586	481
Movie Industry	580	87

— N —

National Property	582	199
1958 Headliners	579	33

— O —

Oil Field Development in North Sumatra	589	649
Overseas Investments	584	371

— P —

Passenger Car Exports Brisk	582	199
Permit for Local Ships	590	683
Petrochemical Industry	580	87
Plant Investments Still Active	581	143
Population of Tokyo	585	425
Population White Paper	585	425
Potential Water Power	580	87
Pre- & Post-war Economic Growth Rates	588	593
Production Curtailments Relaxed	582	199
Production Increase for Iron & Steel	589	649
Prospects for Popular Electric Appliances	580	87
Public Opinion Poll on Japan-U.S. Security Pact	589	649
Punishments to Public Servants	588	593

— R —

Railway Rollingstock Production in 1958	586	481
Rate of Operation in Mfg. Industries	588	593
Real Rice Crop	580	87
Regulations on Accumulated Yen Holdings	590	683
Revision on Electricity Supply-Demand Plan	589	649
Remittances to Foreign Countries	580	87
Rice Crop in 1959	589	649

— S —

Savings Up	584	371
Ship Exports Sagging	589	649
Shrinking Shipbuilding Orders	587	537
Special Procurements Down	584	371
Steel Demands in 1970	590	683
Steel Material Prices Up	580	87
Subsidies for Ocean-going Shipping	580	87

— T —

Technological Contracts with Foreign Countries	585	425
Telephone Revenue	587	537
Ten Biggest Profit-making Firms	584	371
Textile Demands	581	143
Three Groups for New York Routes	588	593
Total Agricultural Production	586	481
Tourist Industry	580	87

— W —

Wages in 1958	582	199
Wage Survey	584	371

— Y —

Yen Accumulation by U.S. Film Firms	579	33

GLIMPSES OF JAPANESE CULTURE

— C —

	No.	Pages
Calligraphy in Japan *By Toko Shinoda*	583	316

— F —

Five Problems of Japan's Movie Industry *By Iwao Mori*	580	88

— G —

Graphic Designs in Japan *By Hiroshi Ohchi*	581	144

— J —

Japanese Crafts *By Riki Watanabe*	590	708
Japanese Folk Toys & Dolls *By Tokubei Yamada*	586	482
Japanese Kimono *By Toko Shinoda*	587	538
Japan's Arts of Fighting *By Kazuo Higo*	585	426

— N —

Nature in Japan *By Takamasa Nakano*	589	650
New Blood Theory of Dr. Morishita *By Masamitsu Yoshimura*	582	200

— O —

Origami—Japanese in Paper-folding *By Edward Seidensticker*	584	372

— R —

Recent and Contemporary Japanese Literature *By Edward Seidensticker*	579	34
Recent Trends in Japanese Architecture *By Takamasa Yosizaka*	588	594

FOREIGN TRADE

— A —

Abolition of Anti-Japanese Discriminations	589	652
Anxiety about Exports to U.S.	581	146

— C —

Causes of Declined Imports	585	428

— D —

Designation of Areas to Import from	580	90
Dollar Exchange Rate Liberalized	588	596

— E —

Effects of Liberalization	588	596
Encouraging Foreign Investment	586	484
Exports Declined to Non-Industrial Countries	585	428
Exports on High Level	589	652
Export Price Restrictions Eased	589	652
Exports on Steady Upcurve	590	710
Exports Still Brisk	584	374
Exports to the U.S. Brisk	588	596

— F —

Favorable Balance Continues	579	36
Finance Ministry Excercising Caution	587	540
Foreign Exchange Budget for 1st Half	583	318
Foreign Trade in January	581	146
Foreign Trade in 1958	580	90
Full-scale Liberalization Seen	590	710
Future Balance of Payments	584	374

— G —

	No.	Pages
GATT Assembly & Japan	589	652
GATT 15th Parley Highlights	590	710
Gradual Growth of Imports	584	374
Gradual Increases in Exports	586	484

— I —

Imports Expand	586	484
Import Restrictions Relaxed	590	710
Import Liberalization On	588	596
International Payments in 1958	581	146

— J —

Japanese Cotton Good Exports to the U.S.	583	318
Japan's Export Markets	585	428
Japan's Overseas Investments	587	540

— L —

Liberalization Incomplete	583	318

— O —

Opposition to Liberalization	583	318

— P —

Promoting Plant Exports	579	36
Proper Foreign Currency Reserve	587	540
Protecting Production at Home	583	318

— R —

Reasons for Slackness	584	374
Reparations for Vietnam	584	374
Repercussions to Restored Convertibility of Pound Sterling	580	90
Rising Production to Prop Budget Expansion	583	318

— S —

Sales Up to Southeast Asia	590	710
Signs of Expanding Exports	579	36
Signs of Imports toward Increasing	580	90
Soviet-Japanese Trade Agreement	579	36

— T —

Tariff System Revision Planned	582	202
Toward Economic Cooperation with Philippines	579	36
Trade Outlook Brighter	590	710
Trade Volumes in February	582	202
Trade with Brazil in Deadlock	582	202
Trading with Russia	586	484
Treaty with Yugoslavia	582	202

— V —

Voluntary Control on Textile Exports with Canada	587	540

— W —

Weight of Textiles Still Great	585	428
White Paper on Trade	585	428

— Y —

Yen Exchange for Settlement	581	146

LABOR

— C —

Coal Miners' Strikes Faltering	587	542
Communication Employees Union Elect Purged Leaders	587	542

— E —

Employers' Measures	590	707
Employment for New Graduates	585	430
Employment Situation Brightening	585	430

— I —

ILO Convention Problem	582	204
ILO Convention Ratification Problem	586	486
International Dock Workers Conference	584	376

— L —

Labor Structure by Wage Levels	584	376

— M —

Mild Spring Offensive	582	204
Movements Against Security Pact Revision Bill	587	542
Moves for Relief Measures for Retired Coal Miners	590	707

— O —

Oji Paper Back to Work	580	92
Oji Paper in Trouble Again	581	148
Oji Paper Strike Ends	579	38

— P —

Passage of Minimum Wage Bill	583	321

— R —

Rationalization in Coal Mines	589	654

— S —

Salaries of Department Heads	584	376
Sohyo's Wage White Paper	579	38
Spring Offensive Approaching	581	148
Spring Offensives Fizzle Out	583	321
Strikes in Smaller Enterprises	585	430
Struggle at Mitsui Mining Flaming	590	707

— T —

Teachers' Union Buffled by "Nagasaki System"	589	654
12th Regular Meeting of Sohyo	588	598

— W —

Wages by Ages	584	376
Wage Differences by Scale of Industries	584	376
Wage Front Brightening	586	486
Wage Structure Survey	584	376

— Z —

Zenro Calls for Unification of Labor Front	580	92
Zenro Decides to Pull out of the United Labor Movements	588	598

KEY TO JAPANESE FIRMS

— C —

Camera Manufacturers	589	656
Cement	581	150
Commercial Houses	587	544
Cotton Spinning	580	94

— D —

Department Stores	588	600

— E —

Electric Wires & Cables	584	378

— F —

Food Products	582	206

— H —

Heavy Electric Machinery	579	40

— I —

Iron & Steel	586	488

— P —

Pharmaceutical Manufacturers	590	712

— R —

Railway Rolling Stock	585	432

BOOK REVIEW

— B —

	No.	Pages
Basic Data of the Economy of Pakistan ..... *By W. Nelson Peach*	584	381

— C —

China : Economic Perspective..... *By Joan Robinson*	584	381
Conflict of Expansion and Stability ..... *Edited by D.B. Copland & R.H. Barback*	588	603
Cotton Industry in a World Economy ..... *Edited by Mario Ludwig*	579	43

— E —

Economic Growth of Hong Kong ..... *By Edward Szczepanik*	586	491
Economic Theory of Fiscal Policy ..... *By Bent Hansen*	582	209

— F —

Facts About Hungary, A Compilation ..... *Edited by Imre Kovacs*	589	659
Floral Art of Japan ..... *By Issotei Nishikawa*	585	435
Flowering Lotus : View of Java..... *By Harold Forster*	580	97
Flowers of the Heart..... *By Iwao Matsuhara*	580	97

— G —

GATT-International Trade ..... *Compiled by the GATT Secretariat*	590	716
*Gendai Nippon Sangyo Koza (Contemporary Japanese Industry) ..... *Compiled by Hiromi Arisawa*	590	716
*Genshiryoku Nenkan (Atomic Power Yearbook) ..... *Edited by Japan Atomic Industrial Forum*	585	435
Guide to Kyoto, Nara, Osaka, Kobe ..... *Edited by Japan Travel Bureau*	586	491

— H —

History of Japan..... *By Saburo Ienaga*	581	153

— I —

Income of Nations-Theory, Measurement and Analysis..... *By Paul Studenski*	589	659
Indian Economy ..... *By Alak Chosh*	580	97
Introduction Review of Cotton & Allied Industries ..... *By International Federation of Cotton & Allied Textile Industries*	579	43
Introduction to the World Economy ..... *By A.J. Brown*	585	435

— J —

Japan : the Pocket Guide 1959 ..... *By Japan Travel Bureau*	586	491
Japanese Gardens ..... *By Matsunosuke Tatsui*	589	716
Japanese Iron & Steel Industry ..... *Edited by Metal Bulletin*	582	209
Japanese Lacquer Ware..... *By Tomio Yoshino*	588	603
Judo with Aikido ..... *By Kenji Tomiki*	589	659

— K —

Kabuki Drama..... *By Shutaro Miyake*	589	659

— L —

L'Economie du Japon (In French) ..... *By Maurice Morear*	588	603

— N —

*Nihon no Zosen-Gyo (Japan's Shipbuilding Industry) *Edited by Seiji-Keizai Kenkyusho*	590	716
*1959 Nippon Kokusai Zue (Annual Survey of Japan) *By Tsuneta Yano Memorial Society*	581	209
Nippon Bijutsu (Japanese Arts)..... *Compiled by Nippon Bijutsu-sha*	590	716
*Nippon Keizai no Kaimei (Analysis of Japanese Economy) ..... *Edited by Ichiro Nakayama*	588	603
*Nippon no Seni Sangyo (Textile Industry in Japan) *By Seiji-Keizai Kenkyusho*	581	153
*Nippon Tokei Sosakuin (General Index of Japanese Statistics) ..... *Edited by Special Libraries Association*	584	381

— P —

Principles & Practices of Agricultural Insurance..... *By Parimal Kumar Ray*	585	435

— R —

*Roreisha Boshi no Jittai (Situation of the Aged & Widows with Children)..... *Compiled by Hyoe Ouchi*	579	43

— S —

*Shakai Hosho Nenkan 1959 (Social Security Yearbook) ..... *Edited by Federation of Health Insurance Union*	582	209
*Shukan Keiki Shihyo Sokuho (Weekly Business Indicators)..... *Edited by Toyo Keizai Shinpo-sha*	586	491

— T —

Tell Me About Japan ..... *Compiled by Japan Travel Bureau*	582	209
Typical Japanese Cooking ..... *By Tomi Egami*	586	491

(* in Japanese)

REGULAR FEATURES

BUSINESS INDICATORS

(Production ; Inventories ; Wholesale Prices ; Consumer Demands & Others) ..... 579 (4); 580(60); 581(116); 582(172); 583(230); 584(342); 585(398); 586(454); 587(510); 588(566); 589(622); 590(678).

COMMODITY MARKET

(Cotton Yarn; Raw Silk; Chemical Fibers; Woollen Yarn & Others) ..... 579 (39); 580(93); 581(149); 582(205); 583(322); 584(377); 585(431); 586(487); 587(543); 588(599); 589(655); 590(714).

COMPANY NOTES

579(42); 580(96); 581(152); 582(208); 584(380); 585(434); 586(490); 587(546); 588(602); 589(658); 590(715).

SPECIAL FEATURES

Japan's Industry on the March	583	265
Quarter-Century of Japan's Economy	583	249

COMPANY OF THE MONTH

— C —

Chugai Pharmaceutical Co.	588	604

— H —

Hitachi, Ltd.....	589	660

— J —

Japan Air Lines	583	337

— K —

Kawasaki Steel Corporation	586	492
Komatsu Manufacturing	587	548
Kyowa Fermentation	580	98

— M —

Mitsui Bussan	581	154

— N —

Nippon Crane Works	582	210
Nippon Express Co. Ltd.....	590	717
Nomura Securities Co., Ltd.	575	436

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